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FBIS-EAS-96-089

Tuesday
7 May 1996

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Daily Report

East Asia

FBIS-EAS-96-089

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Japan**Japan: Official Says Chip Accord With U.S. 'Unlikely' Before G-7**

*OW0705113796 Hong Kong AFP in English
1044 GMT 7 May 96*

[FBIS Transcribed Text] Tokyo, May 7 (AFP) — Japan and the United States are unlikely to break a deadlock over bilateral semiconductor trade before next month's Group of Seven (G7) summit, a senior Foreign Ministry official reportedly said Tuesday [7 May].

"It will be difficult to settle the issue before Japanese and US leaders meet during the Lyons summit in June," JIJI PRESS quoted the unidentified official as saying. "Semiconductor industry leaders from the two countries are meeting in early June so we have no plan to hold government-level talks."

Japan's Foreign Ministry could not immediately comment on the report.

Tokyo and Washington are divided over whether to renew their five-year accord on opening up Japan's semiconductor market when it expires in July.

Japan says there is no need to renew the agreement as the foreign share of the Japanese market now exceeds 20 percent mark as stipulated under the accord.

Semiconductor trade is one of the four main areas of economic dispute between the two countries, the others being aviation, insurance and photographic materials.

Japan: Murayama Urges Defense Cooperation Within Constitution

OW0705080396 Tokyo NIHON KEIZAI SHIMBUN in Japanese 4 May 96 Morning Edition p 2

[FBIS Translated Text] Social Democratic Party [SDP] Head Tomiichi Murayama attended the "Citizens' Rally for the 50th Anniversary of Constitution Day" held by pro-Constitution organization "Forum for Protection of Constitution, Peace, and Human Rights," an affiliate of the SDP, at the Hibiya Public Hall in Tokyo on 3 May. Regarding Japan-U.S. defense cooperation in emergencies in the Far East, he said: "First of all, Japan and the United States should cooperate with each other to prevent emergencies from happening. When dealing with emergencies, we ought to strictly follow the Constitution." In this way, he emphasized that this matter should be studied strictly within the scope of the Constitution.

Shusei Tanaka, vice president of Sakigake and Economic Planning Agency director general, said emphatically: "The government's view prohibiting the use of collective self-defense rights is the correct constitutional

interpretation. To change its interpretation is impossible." He added, "The collective self-defense rights issue is very important to our country. To refrain from discussing this matter to prevent it from becoming a point of contention in regrouping of political parties is just like putting the cart before the horse."

Japan: Business Leader Stresses Importance of Security Discussion

OW0705113096 Tokyo TOKYO SHIMBUN in Japanese 2 May 96 Morning Edition p 2

[Interview with Jiro Ushio, chairman of the Japan Association of Corporate Executives with TOKYO SHIMBUN reporters, Masahiko Tsukiji and Toshiki Kawaguchi; date and place not given]

[FBIS Translated Text] [Reporter] What is your view regarding the Japan-U.S. joint security declaration?

[Ushio] So far, the issues related to "emergencies" have been contained in Okinawa as if Okinawa alone has to deal with them. I feel that the return of MCAS Futenma and the relocation of base functions have made us realize that "emergency" issues are a matter the entire nation must deal with.

[Reporter] The security investigation council of the Japan Association of Corporate Executives [Keizai Doyukai] recently released a statement calling for the government to review its stance on the rights of collective self-defense. What is the purpose of this?

[Ushio] We proposed that the government's stance be altered so that government leaders can at least make a decision whether to provide logistical support (to the U.S. forces) in emergencies. We proposed this because we thought it necessary to let the United States know, before President Clinton's Japan visit, that a private economic body is taking security issues seriously.

It is vital to grant authority in power (to government leaders). When China conducted dangerous military drills in the Taiwan Strait, no decrease was found in the number of Japanese tourists who visited Taiwan. But the staff members of my company who were sent to this country got panicky. We did discuss at one point whether we should have them return to Japan. However, the political circles have no system to discuss how to rescue Japanese people in case of emergency. The government must not avoid such discussions.

[Reporter] What can be considered logistical support in an emergency?

[Ushio] I cannot say anything unless I see a real emergency situation. Keizai Doyukai has been developing large-scale economic activities abroad. The United

States does the same, and this nation ensures security for its companies abroad by providing various forms of protection, for example, the dispatching of the U.S. carrier "Independence." We on the contrary have nothing. But Japan's overseas production will increase further and half of new investment will be spent in foreign countries. We will be in trouble if the government fails to provide some form of protection in case of emergency. Since we oppose the dispatch of the Self-Defense Forces abroad, what we can rely on is security arrangements only. In this regard, it is natural for business companies to worship the idea similar to the collective self-defense rights. If something happens in South Korea, Taiwan, and other countries where we (Japanese companies) are, it is a matter of course (for Japan) to provide logistical support (to the U.S. forces). In escaping from Saigon during the Vietnam war, Japanese companies had a terrible experience. They gave up their properties and returned home at their own expenses.

[Reporter] The ruling parties cited humanitarian aid, including the provision of water and food, as logistical support.

[Ushio] There is no opposition to it. These are the things our allies would need in case of emergency. The fundamental rule of the alliance is to provide all-out support in the nonmilitary area.

[Reporter] Where should we draw "the line" between what is military support and what is not?

[Ushio] I cannot say anything unless we actually encounter an emergency. The provision of water and food will be enough in supporting the U.S. forces but no one can predict what will actually happen during the war. Therefore, Keizai Doyukai in its statement writes the need to improve the system so that "political leaders can make a decision." We have chosen the prime minister whom we can trust.

[Reporter] What do you think of the current political situation?

[Ushio] Global strategies on economy and defense have changed and the society is shifting from administrative-oriented to market-oriented society. I think that the coalition administration does not suit such a transition period. The Japanese people must respect a decision the leader made at the risk of his political career. The consultative decisionmaking (by ruling parties) does not suit the transition period.

[Reporter] Do you say so because there are some problems in the current administration comprised of the Liberal Democratic Party, the Social Democratic Party, and New Party Sakigake [Harbinger]?

[Ushio] There are indeed some problems in the administration and in the New Frontier Party. If I say so, I may be sounding as if "I am expecting the formation of the conservative-conservative alliance." I do not mean that though. I am saying that it is natural and a matter of course (for the political circles) to reconstruct itself through policy discussion. Whether to promote market economy under the private sector's leadership or support a big government under bureaucrats' leadership. Which way to go could become a major point of discussion.

Japan: Takeshita, Jiang Discuss Environment, Industrialization

OW0705004396 Tokyo KYODO in English
2349 GMT 6 May 96

[FBIS Transcribed Text] Beijing, May 7 KYODO — Chinese President Jiang Zemin told former Japanese Prime Minister Noboru Takeshita on Monday [6 May] that advanced nations should help developing countries become more industrialized, rather than offer them knowledge on how to prevent pollution.

Takeshita, a senior lawmaker of the Liberal Democratic Party currently in China, had first told Jiang that Japan has experienced several pollution problems and should convey its know-how on the prevention of such problems to other countries, Takeshita's aides said.

Jiang replied that industrialized nations' initiatives to protect the environment can restrict developing nations' efforts to promote industrialization, the officials said.

Industrialized nations should instead offer economic and technical aid to developing nations, Jiang was quoted as saying.

Takeshita also had a separate meeting with Premier Li Peng. The two attended a ceremony Sunday marking completion of a Japanese-funded environmental protection center, a project they agreed in 1988 to launch.

Japan: Kajiyama Denies Meeting With Taiwan Official

OW0705033296 Tokyo KYODO in English
0315 GMT 7 May 96

[FBIS Transcribed Text] Tokyo, May 7 KYODO -- The Japanese Government's top spokesman Tuesday [7 May] denied a Taiwan newspaper report that he met a senior Taipei official in February and discussed China-Taiwan relations.

"That is what a Taiwan newspaper reported and I am not in a position to confirm it. A Taiwan spokesman also denies it," Chief Cabinet Secretary Seiroku Kajiyama told a press conference.

Kajiyama told reporters after the press conference that the report apparently suggests the Taiwan side's wish to meet him.

Taiwan's **L****I****B**E****T** **T****I****M****E****S** reported Saturday that Ding Mou-shih, secretary general of Taipei's National Security Council, visited Japan in February and conferred with Kajiyama around the Feb. 19 Lunar New Year on the rising tensions in the Taiwan Strait.**

Japan: Ikeda Denies Report of Counselor-Level Contact With DPRK

*OW0705040996 Hong Kong AFP in English
0358 GMT 7 May 96*

[FBIS Transcribed Text] Tokyo, May 7 (AFP) — Japanese Foreign Minister Yukihiko Ikeda on Tuesday [7 May] denied a newspaper report over the weekend that Tokyo and Pyongyang had met at counselor-level to resume talks on normalising diplomatic ties.

"I'm not aware of such a contact," Ikeda told a news conference.

The **A****S****A****H****I****I** **S****H****I****M****B**U****N**, quoting a US-based news agency, US Asian News Service, reported that the two countries had the second contact in Beijing in late April, following one in March.**

Normalisation talks between Tokyo and Pyongyang broke down in November 1992 when Japan brought up the case of a Japanese woman allegedly abducted by North Korea to train spies.

Following reports on the March meeting, Prime Minister Ryutaro Hashimoto admitted that "preparatory discussions" were underway with North Korea.

But the Japanese Government backpedalled from the preparatory talks after North Korea's armed intrusions into the demilitarised zone bordering South Korea in early April, with Hashimoto saying that the action had had a "negative effect" on prospects for new normalisation talks.

Japan: Tokyo, DPRK Seek To Resume Normalization Talks

OW0705084196 Tokyo ASAHI SHIMBUN in Japanese 6 May 96 Morning Edition p 3

[FBIS Translated Text] It has been disclosed that Japan and North Korea have made unofficial contacts to pave the way for the resumption of talks on normalizing diplomatic relations between the two countries. To this end, moves within the government and the ruling parties seeking to improve Japan's relations with North Korea — which have been deadlocked for over a year in spite of an agreement reached in March last year between the

ruling parties' delegation and North Korea "to normalize diplomatic relations as early as possible" — have gained momentum. However, the Japanese Government is faced with the difficulty of deciding when to resume talks partly because of a recent proposal by the United States and South Korea to hold quadrilateral talks.

In a two-point principle for the improvement of its relations with North Korea, the Japanese Government aims to "correct abnormal postwar relations between Japan and North Korea" and "contribute to peace and stabilization of the Korean peninsula." In applying the latter principle, the government intends to "maintain close contacts with South Korea." In reaction to the U.S.-ROK proposal to hold quadrilateral talks, there is a prevailing view in the Japanese Government that "the ROK must believe that the possibility of Japan's coming closer to the DPRK behind the ROK's back has become dim, and so, South Korea now is more lenient with Japan" (according to a senior Foreign Ministry official). Within the ruling parties, plans to invite North Korean negotiators to Japan is under way while successive government-level contacts are made. In this way, work to create an environment for the resumption of negotiations has become active.

But the government for its part does not want to give the impression that Japan-DPRK contacts will throw cold water on quadrilateral talks and ROK-DPRK dialogue. In this sense, the government basically intends to "see how the quadrilateral talks and ROK-DPRK dialogue go." Prime Minister Ryutaro Hashimoto has recently said "we are not in a situation wherein full-fledged negotiations can be held." Under this situation, the government hopes to follow a course from "preliminary talks to full-fledged negotiations" while feeling out the actual standpoint of the DPRK through unofficial contacts.

Tokyo, Singapore Agree To Promote Joint Investment in Asia

*OW0705081996 Tokyo KYODO in English
0734 GMT 7 May 96*

[FBIS Transcribed Text] Tokyo, May 7 KYODO — Japan and Singapore have agreed to open a regular dialogue on cooperation in promoting investment in China, Vietnam and other Asian countries, Japanese Government officials said Tuesday [7 May].

The officials, at the Ministry of International Trade and Industry, said the ministry hopes to hold the first session by summer this year.

The dialogue is designed to help enterprises in the two countries form joint ventures for investment in other Asian nations, the officials said.

They said Japanese businesses are active in building transplant factories in Asian countries to ease the burden of the strong yen, and cooperation with overseas Chinese businesses, which are the backbone of the Singapore economy, will help Japanese companies reduce investment risks.

Singapore enterprises will have access to Japanese capital and technology, they said.

The Singapore economy has achieved remarkable growth in recent years, boosting per capita gross national product above \$20,000. The country was removed from the list of Japan's overseas development assistance recipients.

The officials said the Singapore Government is promoting expansion overseas of its enterprises by offering subsidies while helping to develop high value-added industries such as information-related industries.

Japan and Singapore have held regular consultations on technology transfers since 1994, and the scope of discussions will be expanded to coordinate joint investment in third nations in Asia in response to a request by the Singapore Government, the officials said.

Tokyo Poised To Study Unified Customs Clearance System With Asia, EU

OW0605135396 *Tokyo NIHON KEIZAI SHIMBUN*
in Japanese 4 May 96 Morning Edition p 3

[FBIS Translated Text] The Ministry of Finance [MOF] will begin studying the possibility of securing a unified system of customs clearance procedures with other participants in the recent Asian and European summit talks, including the Southeast Asian nations, China, and the European Union (EU) member nations. The objective is to achieve an outcome that may lead to the expansion of Japan's trade with other Asian and European countries by making the customs clearance procedures and the method of classification resemble each other as closely as possible.

As the first step, a working-level conference, proposed by the Japanese Government, will be held soon with 26 member nations and organs of the Asian and European summit talks participating. Then, the Ministry plans to spend one or two years working out a concrete plan.

Japan: Kubo Says 'Drastic Action' Needed for Fiscal Reform

OW0705025396 *Tokyo KYODO* in English
0226 GMT 7 May 96

[FBIS Transcribed Text] Tokyo, May 7 KYODO — Finance Minister Wataru Kubo stressed Tuesday [7

May] the need for Japan to reconstruct its strained fiscal conditions as early as possible.

At a news conference, Kubo said, "The government wants to make fiscal 1997 the first year of Japan's fiscal reconstruction."

"It is necessary to take drastic action at an early date (to achieve a balanced budget)," Kubo said, adding he has instructed ministry officials to set targets and work out specific measures for that purpose.

To help reconstruct Japan's tight fiscal conditions, the government wants to make a comprehensive review of its tax system and budgetary spending, Kubo said.

Kubo, however, said the government has yet to decide on whether it should continue 2 trillion yen worth of special tax cuts in fiscal 1997, which starts next April 1.

The issue should be also considered from the viewpoint of putting the Japanese economy on a track toward sustainable recovery, he said.

On the issue of having banks shoulder additional burdens for the liquidation of failed "jusen" housing loan companies, Kubo said it is desirable to conclude talks with banks on the issue before a new organization is created to take over problem loans left by the "jusen" companies.

A bill for setting up the disposal body is now being debated in the Diet.

Under a government-brokered scheme, the seven mortgage companies will be liquidated with the help of 685 billion yen in taxpayers' money.

The scheme calls for banks that founded the housing loan companies to abandon all their loans — totaling 3.5 trillion yen — to the "jusen" companies.

Because of strong public criticism of the use of tax money, however, the government is now seeking additional liquidation burdens from the founder banks.

Japan: EPA Chief Urges Politicians To Lead Fiscal Reform

OW0705033496 *Tokyo KYODO* in English
0305 GMT 7 May 96

[FBIS Transcribed Text] Tokyo, May 7 KYODO — The head of the Economic Planning Agency (EPA) said Tuesday [7 May] that politicians should take the initiative in reforming the nation's weakened financial situation.

Shuhei Tanaka, EPA director general, said at a press conference, "the fiscal authorities cannot achieve fiscal

reconstruction by themselves," adding, "the ball is now in the hands of politicians and we (politicians) are responsible (for fiscal reform)."

Tanaka also pointed to the need to correct the interdependency of bureaucrats and politicians, saying, "The point at issue is how politicians and bureaucrats will take responsibility for the present (financial) situation."

Japan: Kajiyama Predicts FY96 Budget Approval 9 May

*OW0705034496 Tokyo KYODO in English
0313 GMT 7 May 96*

[FBIS Transcribed Text] Tokyo, May 7 KYODO — Chief Cabinet Secretary Seiroku Kajiyama said Tuesday [7 May] he expects the Diet to finally approve Thursday the fiscal 1996 budget, which contains a controversial outlay for the liquidation of insolvent housing loan companies.

The top cabinet spokesman made the remark at an informal meeting of cabinet members Tuesday morning.

The 75.1 trillion yen budget was approved on April 11 by the House of Representatives, the lower house of the Diet, and is set to automatically pass through the Diet on Friday even though the House of Councillors does not approve it.

Japan: Diet Sources on FY96 Budget, 'Jusen' Liquidation

*OW0705051396 Tokyo KYODO in English
0501 GMT 7 May 96*

[FBIS Transcribed Text] Tokyo, May 7 KYODO — The House of Councillors is certain to approve the fiscal 1996 budget, which contains a controversial outlay for the liquidation of insolvent "jusen" housing loan companies, on Thursday [9 May] afternoon, Diet sources said Tuesday.

The ruling and opposition parties in the upper house budget committee agreed Tuesday to vote on the 75.1 trillion yen budget after having a final round of summary questioning on Wednesday afternoon and Thursday morning, the sources said.

The committee also decided to take up the disposal of the mortgage companies, and the nation's economy and fiscal conditions for intensive deliberations on Wednesday morning, they said.

The fiscal 1996 budget was approved April 11 by the House of Representatives and is set to be automatically enacted Friday even if the upper house does not approve it.

Japan: Defense Agency Decides To Introduce Reconnaissance Satellites

*OW0705104996 Tokyo NIHON KEIZAI SHIMBUN
in Japanese 5 May 96 Morning Edition p 1*

[FBIS Translated Text] The Defense Agency [DA] has decided to introduce Japan's own reconnaissance satellites to strengthen its ability to collect information on the military situation in neighboring countries. So far, the DA has completely relied on the U.S. satellites for high-definition images. However, it has decided that establishing a certain information-gathering system through its own efforts is necessary to deal with the unstable Far East situation, including the tension on the Korean Peninsula. In view of improvement in efficiency of other countries' commercial satellites, the DA will decide on details of the project with the aim of launching it by the end of the next Mid-Term Defense Buildup Plan beginning 2001.

The information obtained from reconnaissance satellites is necessary to detect, in advance, maneuvers of large numbers of troops in neighboring countries. The DA has so far obtained high-definition images from the United States which possesses many reconnaissance satellites of various kinds, while purchasing satellite photographs from private satellite companies when necessary.

In view of such circumstances, there is a strong call within the DA for possessing reconnaissance satellites. A senior DA officer said: "There is a fear that necessary information can not be obtained when the utmost need arises, such as the tension in the Far East." However, the introduction of satellites has been shelved due to the "1969 Diet resolution on peaceful use of space" pledging not to utilize space for military purposes.

However, since 1994, the U.S. Government has begun to provide the private sector with some reconnaissance satellite-related technologies that were developed under the Strategic Development Initiative (SDI) under the Reagan Administration, and thanks to this, the number of commercial satellites with the capability of taking high-definition photos has increased.

Considering such changes in the situation, the DA has come to the conclusion that "Substantially, there is no problem if the DA launches its own satellites with the same capabilities as that of commercial satellites," (as stated by an intelligence and research source). The agency will draw up a detailed plan by taking the following steps: 1) Form the government's unified view that 'the Self Defense Forces' possession of reconnaissance satellites with capabilities similar to those of commercial satellites for general purposes will not be contradictory to 'utilizing space for peaceful

purposes' and 'exclusively defensive defense"'; 2) study what kind of satellites it should launch, functions of ground stations, and ways of launching; and 3) the launch plan should be included in the next Mid-Term Defense Buildup Plan beginning 2001.

Japan: Emergency Rescue Plan Dependent on Civilian Cooperation

*OW0605125896 Tokyo SANKEI SHIMBUN
in Japanese 3 May 96 Morning Edition p 1*

[FBIS Translated Text] The Japanese Government secretly mapped out a plan to rescue about 20,000 Japanese citizens residing in Taiwan in response to China's pressuring Taiwan, during its March presidential election, through missile and naval exercises in the Taiwan Strait, sources said on 2 May. The government plan aimed to complete a rescue operation in around two weeks by providing shuttle flights of Self-Defense Forces [SDF] aircraft and large numbers of chartered civilian jetliners. The operation did not come about as no Chinese invasion occurred in March. However, there were clear problems with the government's emergency rescue plan since the Taiwan plan was largely dependent on cooperation from civilian airlines.

In early March, Foreign Ministry and Defense Agency officials secretly met several times to discuss how the government should rescue Japanese citizens residing in Taiwan in case of "accidental military conflicts" (as noted by a government source). The officials studied the feasibilities of direct flights from mainland airports to Taiwan and of the use of Okinawan airports as outposts for shuttle transportation. The study group examined the safety of Taiwan airports and several air routes through the "Association of Japan-Taiwan Exchange," the Japanese representative office to Taiwan.

As the result of the secret study, the government mapped out a rescue plan to mobilize two government planes (B-747-400's) and several SDF transport planes (C-130H's), as well as dozens of full-size civilian passenger planes.

To secure civilian transportation capacity, the government compiled a list of over 10 civilian airlines, including several foreign-based airlines that currently have connections to Japan. Based on the variation of transportation capacity and depending on the types of planes mobilized and of proportion of government and civilian planes, the government estimated several scenarios for the time and cost required for the rescue operation. The estimate concluded it would take about two weeks for the rescue operation if five 300-seat airplanes left Taiwan daily. However, several officials reportedly noted these estimates had problems "as they were simply calculated on the assumption of secured safety and full cooperation from the private companies. The rescue operation may actually take much longer and cost much higher" (as noted by a senior Foreign Ministry official).

In fact, the government failed to charter civilian passenger liners during the 1980 Iran-Iraq war and the 1991 Gulf war because of inadequate safety measures for civilian flights to conflicting nations. The November 1994 amendment of the SDF Law (Article 100, Section 8) approved overseas operation of SDF aircraft for "transportation of Japanese citizens overseas and other purposes," but no overseas rescue operation have ever been conducted by the SDF to date.

Japan: Possible Repercussions of Government's PC Procurement Price

*962A0045A Tokyo NIKKEI BUSINESS in Japanese
4 Mar 96 p 16*

[Unattributed article: "Notebook PC's for 100,000 yen! Foreign Firms Exasperated; Possibility of Resurgence of Japan Bashing"]

[FBIS Translated Text] Notebook personal computers [PC's] for about 100,000 yen each. Those are the bargain prices at which Japanese makers are supplying the central government with notebook PC's that have a suggested retail price of 300,000 to 400,000 yen—a practice that is creating broader and broader ripples.

Fujitsu Ltd., for example, agreed to rent 3,800 notebook PC's (with a suggested retail price of 288,000 yen each) to the Ministry of International Trade and Industry for a monthly fee of 8.75 million yen. Since the term of such contracts is normally 48 months (four years), this comes out to about 110,000 yen per computer. Similarly low bids have won contracts with the Ministries of Foreign Affairs, Ministry of Finance, and the Ministry of Transport.

Under a plan approved by the cabinet in December 1994 to spread administrative information in government agencies have been busy since last year [1995] installing PC networks in one office after another. With the release of winning contract prices in official gazettes and elsewhere, the bargain prices being offered by Japanese makers are becoming clearer.

'Fujitsu Shock' Shakes the Industry

According to a survey conducted by a private research firm, PC sales in 1995 increased 71 percent over the previous year to 5.7 million units. An estimated 10 million PC's will be sold in 1997 to create a market comparable in size to that for color TV's.

Because PC's represent one of the few growth markets around, competition for shares has heated up, creating a sharp drop in PC prices. It is no longer unusual to hear of corporate buyers getting PC's at prices below cost. In fact, the situation has led to Japan's being "the cheapest PC country anywhere in the world," says Masaru Murai, president of the Japanese subsidiary of Compaq Computer Corp. The low bids submitted to government

agencies are a classic example of competitive underselling.

Even though PC sales have increased, makers still face a tough earnings situation. Says a major PC manufacturing executive, "There isn't a Japanese maker around that is currently showing a profit from PC's." While large firms with plenty of capital, like Hitachi Ltd. and Toshiba Corp., have seriously entered the market, other companies which have made their names as PC makers have decided, after assessing their situations, that it's "useless to join the fray over market shares," says Seiko Epson Corp. President Hideaki Yasukawa, and some have adopted a strategy that allows them to concentrate on high-end products.

American makers were the first ones to launch an attack on Japan's market with low-cost PC's. Apple Computer Corp. came on shore, selling basic PC's at what was then well below Japan's average market price, and was followed by the world's top maker, Compaq Computer, in 1992, also touting low-cost PC's. The waves of a "price collapse" surged in on Japan's stable but high-priced PC market, a 50 percent share of which was held by NEC Corp.

Part Two of this drama begins in 1994, when Japanese makers, now the protagonists, decide to fight Compaq's challenge. A prominent player here is Fujitsu. One of its new products, a PC with 30 software applications priced under 200,000 yen, became a hit. Offering dramatically cheaper prices than other makers, Fujitsu has also been able to increase its orders from bulk corporate users. According to DataQuest, a U.S. research firm, Fujitsu increased its share of Japan's PC market to 18.3 percent in 1995, as much as doubling its share since the year before.

A PC manufacturing company president admits his firm "won't be outdone by Fujitsu"—even, he says, if it means "selling at prices at or near cost." Thus, a price war, with makers resigned to losses, is spreading. In fact, according to Fujitsu managing director, Keizo Fukagawa, "if marketing and promotional costs are added into the manufacturing cost, PC businesses were operating in the red in fiscal 1995." Fujitsu itself acknowledges so-called profitless sales.

Once the direction has been decided, Japanese companies all run the same course. Recent bids for government contracts show this to be the case. "Drawn in by Fujitsu's prices, other Japanese makers like NEC Corp. and Hitachi Ltd. have begun to follow suit," says a PC manufacturing company president. "Rather than give Fujitsu an uncontested run, Hitachi and Toshiba will probably make an all-out effort to lower their prices this year."

too," says Junichi Suzuki, managing director of Kyujuku Denki, a leading PC seller.

Japanese Makers Take Advantage of Their Strength Making Components and Parts

Foreign PC makers are exasperated by this kind of marketing strategy. Apple Corp., which has been rocked by management changes, cites as one of the reasons for its sluggish business performance the fact that "profits in Japan's market have declined due to this unusual price war." Compaq KK President Murai questions the tactics of Japanese makers. "A strategy based on losses in a mature PC market goes against the common sense of corporate ethics," he says.

Kakutaro Kitashiro, president of IBM Japan Ltd., questions whether Japanese manufacturers specializing in PC's will be able to make it if this low-priced PC marketing strategy continues. Many firms like Fujitsu also make component parts and figure they can make up for losses from their PC's by expanding their sales of PC semiconductors and display units. When the main product for a firm is the PC itself, then, for many of the American companies, that strategy is hardly ever an option.

Top Government Contract Bidders Are Mostly Domestic Makers

Primary Government PC Contract Winners

Ministry	Items Purchased	Successful Bidder	Contracted Amount
International Trade and Industry	3,800 notebook PC's	Fujitsu	8.75 million yen/month
Foreign Affairs	865 notebook PC's, 111 desktop computers, 120 computer printers	Hitachi	1.2 million yen/month
Transportation	2,108 notebook PC's, 84 desktop computers	NEC	2.164 billion yen

Toshiba and other Japanese companies have had a central role in establishing a standard format for DVD-ROM (Digital Video Disc Read Only Memory) devices, which will make their appearance this autumn. Chances are strong that Japan's makers will secure the market

for these "toothsome" new components, and American companies like Compaq will end up buying them from Japan. Moreover, Fujitsu and other Japanese makers are planning a full-fledged entry into the U.S. market. If they launch a global offensive based on profits from their components, we may even see the U.S. market take a severe tumble. That is the reason for the growing exasperation of American makers.

Fujitsu, too, has a point. According to Tadayasu Sugita, managing director in charge of PC's, "We are the challengers. It can't be helped if we go temporarily in the red while waiting to realize the advantages of scale and get ourselves on track." If Fujitsu reaches its sales goal of 2.6 million computers in fiscal 1996, it expects its PC business to be back in the black on a fiscal year basis. The company considers this time a period of "healthy losses."

This method of directly challenging competitors through low-priced PC's can't be said to be all bad if it leads to an effort by smaller makers to expand. For users, these lower prices mean that PC's are more affordable and accessible. Lower priced PC's are also one of the reasons for the growing interest in Japan in the information revolution. Lower prices have had many positive aspects for the industry as a whole.

Asks one computer executive, "Aren't foreign makers just pointing to Japan's 'unusual' market situation as an excuse for not being able to expand their own market share?" Without improving their performance, presidents of Japanese subsidiaries will probably come under attack by their parent companies.

Danger of Being Seen as 'Dumping'

Still, when we see how low the winning bids for government contracts are, we feel that matters have gone too far. According to Chikara Nakafuji, an attorney who is knowledgeable about antimonopoly law, "If the companies that have been hit by these low prices take the matter to the Fair Trade Commission, there's a chance that such practices will be seen as 'dumping' under the Antimonopoly Law." Last year Compaq sent an investigatory team to Japan, and according to President Murai, they are "prepared to take legal action."

Even if it doesn't go that far, there is still a chance that political influence will be used to put pressure on Japan. Why is a firm like Compaq Computer, the world's top-ranking PC maker, falling behind other makers in Japan? That's all the American public needs to be asked by their political leaders. The average American will easily get the impression that the extraordinarily low prices at which government gets its PC's are an instance of "unfair" trade practices. If the "PC problem" is brought

up during the presidential election, Japanese makers face the danger of a Japan-bashing resurgence in the United States. And they won't get by with arguments about "healthy losses."

Japan: Article Views Revival of Auto Industry

962A0024A *Tokyo EKONOMISUTO* in Japanese
Mar 96 p 47-50

[Article by Kazuo Omura, professor, Shiga University: "Japanese Automobiles Will Be Revived by Globalization and Focussing Strategy"]

[FBIS Translated Text]

In the 1980's, Japan's automobile industry boasted of international competitiveness that was strongest in the world. However, by the mid-1990's the declining status of Japanese industry and the revival of the U.S. automobile industry began to be pointed out. In 1994 the U.S. Big Three posted record high sales and Japanese makers experienced unprecedentedly low earnings. Although the declining trend extending over 10 years in exports from Japan to the United States is still not showing any sign of abatement, imports of automobiles from the United States are rapidly expanding.

The competitive capacity of the automotive industry is being focussed on and debated in Japan and the United States respectively just as though it is a natural conclusion that it represents the competitiveness of the manufacturing industry as a whole. The purpose of this article is to give an outlook on the competitive conditions of the Japanese and U.S. automobile industries in the latter half of the 1990's.

The Myth of Cost Competitiveness

When one mentions industry competitiveness, it perhaps cannot be helped that the thing that receives attention is a cost comparison between the two countries. However, in the automotive industry, cost is merely one of the important elements from the standpoint of competition. This is because the most serious competition for automakers is not the new cars of other manufacturers but the used cars that it itself produced and sold a few years prior.

Japanese makers in the first half of the 1980's possessed a cost difference of approximately 30 percent compared to U.S. makers. This cost difference combined with soaring sales costs due to a tightening of the Japanese auto demand and supply that occurred because of voluntary restrictions in exports to the United States and brought about a wide margin of profit. Japanese makers, who were trying to increase the per unit profit instead

of boosting unit sales, increased their models to include everything from compact and midsized cars to large and speciality cars.

Different from this type of actual development, Japanese makers were enabled to use the weapon of low cost to increase their models to encompass not only small cars but large luxury cars and at a lower price than the sales price of U.S. makers. U.S. consumers, besides having changed from U.S. cars to low priced Japanese cars, supposedly stopped driving used cars. Japanese makers may have obtained an opportunity to cut costs further with a mass production effect due to this increase in demand. This is exactly the experience that was gained in the expansion of exports from Japan in the 1970's.

However, in order to maintain this cycle, which at first seems clearly favorable, over a long period, it is mandatory for the next generation of new cars to continue to stimulate demand. If that fails, there is a strong chance that consumers who shifted away from used cars to new cars will go back to driving used cars again. Even the advantage of short new car development intervals, which is a point of pride of Japanese makers, must correspond with the tempo of fundamental technological development in the electronics and raw materials industries or they might end up with a mere styling change. Once the favorable cycle were to collapse, the pursuit of low cost itself would become difficult.

On the point of mere cost competitiveness, reports that U.S. makers will assume a position of dominance had already appeared by 1992. For instance, the Economic Strategic Institute says that Ford Motors' cost is lowest among U.S. makers in a comparison at full operation even at an exchange rate of one dollar to 130 yen. The operating rate of the U.S. automobile industry was 67.5 percent in 1991 but was approaching full operation at 86.7 percent in 1994. Meanwhile, the unit quantity of automobiles produced in Japan had declined 22 percent in 1994 after peaking in 1990. Considering the fact that during that time several new plants were constructed, it is thought that Japan's capacity rate is below that of the United States during that country's 1991 recession.

The number of people employed in the U.S. [automotive industry] increased 12.8 percent from 789,000 in 1991 to 885,000 in 1994. The expansion in production quantities during the same period was high at 39 percent, and labor productivity is improving. However, at an absolute level it is only about the same extent as compared to the peak in the mid-1980's. Meanwhile, in Japan the number of employees during the same period has only declined by 5 percent. Japan's labor productivity has not improved, even when increased

parts production for overseas production is taken into account.

As for hourly wage rates, only the rate of growth in both the United States and Japan is declining while actual wages, despite a recession, have not been declining. However, in Japan the decrease in working hours has led to a decline in the total labor expenses, with the drop in overtime expenses, etc. In the United States, as will be explained later, there is a continuing increase according to a set pattern. Viewed in terms of local currency, it is consistent with the above, but considering the exchange rate that went as far as one dollar equalling 100 yen, Japan's wage rates have risen to a level on a par with wage rates of the Big Three (1994 GM domestic U.S. wages were \$44.2 per hour). It probably goes without saying that the influence of the high yen will become evident in the indirect employment of parts industries and related industries.

Summarizing the above facts, one should probably take the view that Japan's cost competitiveness, when converted to dollars, has become numerically inferior compared to U.S. makers. However, this does not mean that the difference in cost competitiveness alone will determine the ability of both countries' manufacturers to develop in the future. This point is made clear in the following paragraphs.

Consumer Targeting Strategy

The recent corporate strategy of U.S. makers could probably be called "consumer targeting." The central end of this strategy is as follows.

Since the 1970's U.S. makers appear to have switched to a strategy of skillfully raising the sales price of their automobiles. Previously, they had raised their average sales price by such means as making what had been optional equipment parts standard, thinning out the assortment of low-priced passenger cars, among other things. The target at the time of those increases appears to be "households in the top 5 percent of the income range."

It is recognized that the ratio of expenditures of consumer income generally allocated to automobile related spending is stable. Keeping this relationship in mind, if the sales price of passenger cars is increased in line with the increase of income of the highest income bracket, the passenger car demand in the highest income bracket should increase steadily. Actually, that very thing is occurring in the U.S. market. Throughout the 1970's and 1980's in the unit quantity of automobiles owned in the United States (the number of all the cars being used, including new and used cars), has expanded stably along with the tempo of increasing income.

However, the unit quantity of new car sales (the total of vehicles, combining passenger cars and trucks, etc.) peaked in 1986 at 16.32 million units. This is a level that does not differ significantly with that of the mid-1970's, and as a trend is in a flat condition. Ultimately, when viewed from the standpoint of consumers as a whole, reliance on used cars is increasing, and it is thought that one factor in this was the pricing strategy of manufacturers. These days consumers in the United States who can buy new cars has fallen to about one in three of all households, so there is an inclination toward the high income stratum.

One could assert that this type of marketing would only be possible for the Big Three, with their knowledge of the development and sales aspects of accurately gauging consumer strata. However, it can be pointed out that their weakness is in their explicit reliance on whether the high income class increases or not. The recession from 1990 to 1992 and the subsequent moderate return of demand significantly involved a restructuring centered on the white collar class in U.S. economic society. The correction of an income distribution that went too far signified a relative decline in the high income stratum and that has ushered in a structure that is directly linked to the demand for new cars. The sustained rise of new car prices has continued all the way up to the 1996 models.

The Strategy Difference Between Japan and U.S.

Another aspect of the consumer targeting strategy is manifested in its relationship with automobile worker wage rates. Autoworkers receive a wage rate that is more than 40 percent higher than the U.S. manufacturing average. Such high wages are consistently rising even while the status of the automotive industry declines within the economy. That rise is at the same pace as the passenger car sales price mentioned earlier. This trend has not changed even recently.

The consumer targeting strategy is not unique to U.S. makers. The European makers have persisted in the same type of thing. This could even be interpreted as U.S. makers having switched from a strategy they employed up until the 1960's of achieving cost reductions by mass production and mass sales to average consumers (the recent strategy of Japanese makers) to a European strategy.

However, they have not been able to offer a distinct product that meets the preferences of the high income stratum. In this area such characteristics as technical advancement and originality are prized more than cost competitiveness. Automatic transmission, air conditioning, car audio, etc., were new technologies popularized by the United States up until the 1960's, but most of

the mainstream technical development these days is a matter of contention between Europe and Japan.

While selecting consumer targeting as a corporate strategy, low cost production potential, embodied in the weak dollar, passage of North American Free Trade Agreement, etc., is emerging in the U. S. macroeconomic landscape instead. U.S. manufacturers have switched to greater luxury for the domestic U.S. highest income stratum and their own employees have also tried to receive the same income increases as the highest income class.

However, in an international context, U.S. income itself has been on a relative decline, and the U.S. market is in the process of becoming a low price market. If U.S. makers were to view this trend seriously, it would be possible to establish the United States as a new international manufacturing base. However, the ones who are actively performing capital investment, pursuing low costs under a new labor and management relationship and channeling energy into exports are none other than the Japanese makers.

Demand for U.S. automobiles may have recovered since 1993, but the earnings of the Big Three in 1995 took a turn for the worse. If one tracks the reasons for that, one finds that there has been a shift in demand toward used cars and growing inventories (refer to GNP statistical bulletin data that includes the second quarter of 1995). Without performing demand management between new cars and used cars, if the downward rigidity of labor wages is not broken, Big Three earnings will likely remain unsettled.

In contrast to this, the essence of the strategy of Japanese makers was to aim for a stable increase in production. It is recognized that automobile demand itself increases on a one-to-one relationship with the increase in the national income. If this fact is utilized, it is not difficult to increase new car demand stably. In fact, Japan's amount of car ownership is increasing and if the period of renewal to new cars can be maintained at a set amount, new car demand should also expand at the same pace. The rest is a matter of not allowing individual corporate share to be eroded. Policies such as strengthening sales networks, short interval model changes, purchasing used cars, etc., ultimately aim to level out production. Expansion of exports to multiple regions was also a result of looking for production levelling by market dispersion.

It is only after achieving a stable production environment that a stable worker-management relationship can be cultivated. The connection with related firms is the same. Capital spending plans, such as the installation of automated lines, etc., can be conducted smoothly. The

special features of the Japanese type of production system are manifested incidentally to this levelling out of production.

However, in a certain sense, the strong yen caused by excessive exports by the automotive industry brought about an unstable element in production within Japan. Even assuming that domestic demand will grow continuously, the best it could probably do would be to increase to 8 million units during the 1990's. Considering the decline in exports and the increase in imports, there is no guarantee that the current situation of a production level of just over 10 million units can be maintained.

There is no doubt that internationalization of production bases in the United States, Europe, and Asia is a policy that aims to maintain the cost competitiveness of Japanese makers. On the flip side of that, they are shouldering country risk on the point of deciding which country they should invest in. There have been examples where this risk has materialized in such places as Spain, Mexico, and others. Internationalization that is practiced by partly sacrificing production in Japan is also not an easy burden to bear. In order to accomplish this, the medium- and smaller-sized makers will need to refocus from their full line orientation of the past into specialty areas in terms of sales models.

Extraction From Full Lines

One might even venture to say that a sweeping strategy in which one attempts to achieve a full line by turning one's attention to all technologies does not even deserve to be called a strategy. That is just a survival strategy in the sense of being able to handle any kind of situation that might arise. However, if only that is done even after having reached a condition in which survival is possible, management resources will be wasted. Management that changed to a full line risks being engulfed by macroeconomic conditions. A niche strategy has the advantage of being able to become distinct by catering to the preferences of consumers. If this aspect is emphasized, there is a possibility that we could see the homogenous strategy development of Japanese firms become more diverse among firms in the future.

This would mean that by the end of the 1990's, new car lines developed in a new milieu would be marketed. In the meantime new cars with minor changes basically following suit of new cars of around 1990 will be central. On the new lines, new types of engines that take reductions in fuel consumption one step further (there is currently competition with European makers in development of the direct injection engine, etc.), new transmissions, etc., will become the technical attractions. In addition, there will likely be the emergence of an Asia

car type version that will suit different needs according to global geographic area.

If time in the latter half of the 1990's is spent on cost stabilization through internationalization and reorganization of models, it is thought that a recovery of the self-confidence of Japanese makers in the 21st century will be possible.

Japan: Harbinger's Hatoyama Comments on New Party Formation

OW0705112896 Tokyo *YOMIURI SHIMBUN*
in Japanese 3 May 96 Morning Edition p 2

[Interview with Yukio Hatoyama, secretary general of Sakigake by unidentified *YOMIURI SHIMBUN* reporter; place and date not given: "1996 Political Situation: Things We Would Like to Say and Hear"]

[FBIS Translated Text] [YOMIURI SHIMBUN] What did you really mean when you said you were seeking to form a "new party" with former Economic Planning Agency Director General Hajime Funada?

[Hatoyama] As Sakigake's [Harbinger] secretary general, I am not happy with the media report that suggested I was willing to form a new party even if Mr. Funada is the only one who would join me. But it is true that I am thinking about forming a new political force. I am doing this because it is important to rally larger political forces to enable first-term Sakigake Diet members to consolidate their support bases under the new electoral system. The new single-seat constituencies combined with a proportional representation system is a tough system for small parties to compete in.

[YOMIURI SHIMBUN] Is Mr. Funada willing to do that too?

[Hatoyama] I said several times to Funada: "How long are you going to stay with the New Frontier Party? It is time for you to make a move." I have asked him to act with me to break the current impasse in politics.

[YOMIURI SHIMBUN] In what ways are you both compatible?

[Hatoyama] We have a similar chemistry. We have not faced any particular hardships during our political careers. Because of that, I think we are able to identify better with the general public. For example, if you are desperately trying to become a politician, you may have to cross ethical lines to raise money and you could become so obsessed with your seat in the Diet that you will only support policies that are flattering to the public. There are many second-generation lawmakers in Sakigake. Funada is a lot like them. I think Mr. Funada is very courageous because he can remain within the

party yet still speak out against the party leader, who wields enormous clout, saying that "you are wrong."

[YOMIURI SHIMBUN] Do you disagree with Funada on the issue of security and defense?

[Hatoyama] Concerning Japan's right to collective defense, I believe the government should define current "gray" areas by legislating necessary laws. In principle, I share the same basic view (concerning security issues) with Mr. Funada. On the issue of Japan becoming a permanent member of the United Nations, I think we can deal with the issue of Japan becoming a permanent member of the UN Security Council as the United Nations is reformed and the people's understanding ripens. This is the area where our views differ. However, we have not had thorough discussions on this matter.

[YOMIURI SHIMBUN] Is there a gap between you and Sakigake Chief Takemura?

[Hatoyama] Fundamentally, I do not think Mr. Takemura's views about the future are different from mine. I am sure he does not think it is a must for his party to merge with the Social Democratic Party.

[YOMIURI SHIMBUN] A banner is needed to form a new political force.

[Hatoyama] We will form a civil right political force [minken seiji] instead of political force led by bureaucrats. Health and Welfare Minister Naoto Kan broke the ice (in dealing with the AIDS issue). The question is how can we find politicians who will follow in Mr. Kan's footsteps.

[YOMIURI SHIMBUN] Do you think the new party will be formed before a general election?

[Hatoyama] We will not form it after an election. We need some time before we do it to prepare ourselves for an election. However, being incumbent lawmakers bears a burden. Sometimes the first-time lawmakers can give hope to the people. It may be a wise choice for us to act without counting on incumbent lawmakers.

[YOMIURI SHIMBUN] Some people think that the political world should be reorganized after the election without having further debate.

[Hatoyama] Under the single-seat constituency system, it is difficult to think an election campaign that strongly reflects party color will split a party right in the middle or make lawmakers secede from their party. It may change the alignment of political parties. However, realignment of the political party without people's unity will be very difficult.

[YOMIURI SHIMBUN] What do you think of the movement by the coalition between conservative groups?

[Hatoyama] Their view of history is very much different from ours. There is no doubt that a stronger conservative-conservative coalition will serve as a diverging point that will change the Liberal Democratic Party significantly. It is a desirable sign when you think about the process of changing the political world by policies.

[YOMIURI SHIMBUN] Do you prefer a delay in dissolving the lower house and subsequently holding a general election so that you can prepare yourself for formation of a new party?

[Hatoyama] I do not think the lower house will be dissolved soon. However, it does not mean that I am afraid of it. I am sure that I can create a new trend today if the lower house is dissolved tomorrow.

Japan: Bargaining Begins on Full Start of 40-Hour Work Week

*OW0705070096 Tokyo KYODO in English
0648 GMT 7 May 96*

[FBIS Transcribed Text] Tokyo, May 7 KYODO — Bargaining is taking place between elements of the administration, business groups and the ruling coalition parties over the April 1997 full implementation of a 40-hour workweek, government and industry sources said Tuesday [7 May].

The Labor Ministry plans to instruct heads of prefectural labor standards offices nationwide at a May 20 meeting to do their utmost to realize the full implementation of regulations to limit standard working hours to 40 per week, the sources said.

Small business groups, meanwhile, are appealing to the Liberal Democratic Party, the largest force in the three-party ruling coalition, for the postponement of the full implementation on grounds that they cannot afford the additional cost, such as increasing the number of employees, to meet the regulations, the sources said.

Legal scheduled working hours were cut to 40 hours a week from 44 hours in principle by the revision of the Labor Standard Law effective from April 1994, with the exception of some sectors such as transportation and cargo operators and small businesses with 300 employees or less.

Businesses then exempted are supposed to abide by the revised regulations from April next year after the three-year grace period expires.

In 1995, average scheduled working hours per employee in Japan came to 1,772, unchanged from the previous year, and total working hours including overtime amounted to 1,909, up five hours from 1994, according to the Labor Ministry.

As shortening of working hours has made little progress, the ministry has judged it necessary to push further, the sources said.

The ministry is determined to carry through the full implementation next April, the sources said, quoting Labor Minister Takanobu Nagai as saying, "we set a long enough grace period."

Small businesses, however, have been slow to abide by the regulations because they are forced to increase employees to reduce working hours while maintaining the same workload, the sources said.

An official of the National Federation of Small Business Associations said, "We are barely maintaining business operations."

According to a survey conducted by the federation last July, only 20.3 percent of some 50,000 businesses with 300 employees or less have cut their scheduled working hours to 40 hours a week.

Under the circumstances, the small business group has petitioned the government to revise the law to extend the grace period, as well as for exceptions to allow more industries to continue with their employees working 46 hours a week, the sources said.

In response to these moves, the LDP has started studying the issue at its special task force, they said.

Meanwhile, the Social Democratic Party, one of the partners in the tripartite ruling coalition, and the Japanese Trade Union Confederation are pushing for a full start of the regulations, the sources said.

North Korea

DPRK: U.S. Urged To Accept DPRK's 'New Peace Proposal'

SK0705110496 Pyongyang Korean Central Broadcasting Network in Korean
0754 GMT 7 May 96

[Unattributed talk: "The United States Should Accept Our New Proposal"]

[FBIS Translated Text] Our new peace proposal for signing a DPRK-U.S. tentative agreement [chamjong hyopchong] to remove the danger of an armed conflict and war and peacefully maintain the armistice state on the Korean peninsula is evoking great repercussions at home and abroad. This is because our proposal eluci-

dates the most correct way to resolve the grave situation created on the Korean peninsula. Our proposal is a constructive measure [konsolchogin chochi] aimed at overcoming obstacles to the resolution of the question concerning the establishment of a new peace mechanism.

We proposed the conclusion of the tentative agreement, taking the following into consideration; the actual condition of the current armistice system which cannot function at all to stabilize the situation on the Korean peninsula and to prevent arms buildup and the danger of war; the U.S. policy on the DPRK; and the current level of DPRK-U.S. relations. This is an expression of our sincere and peace-loving efforts to establish a new security mechanism on the Korean peninsula and maintain durable security in Northeast Asia in accordance with today's international environment, in which the trend of the times is represented by the moves toward detente and peace.

The current armistice system is a product of the Cold War, which was created almost half a century ago, and it is old enough to perish. The current armistice system has never contributed to guaranteeing peace on the Korean peninsula, and it cannot perform any function today. In fact, we can say the security mechanism on the Korean peninsula is in a vacuum [sasilsang chigum chosonbandou anbojangchinun kongbaek sangtace illago marhalsu issumnida]. This is a very dangerous situation, especially under the circumstances in which some U.S. hard-line conservatives are trying to crush us by force [migugui ilbu kanggyong posu seryogi urirul himuro ap-sarhaeboryogo kkoehago innun chogoneso touk kurotsunnida]. Thus, the DPRK and the United States still maintain hostile relations [choktaejok kyojon kwangye] with each other.

Unless we immediately prepare the least systematic mechanism to prevent an armed conflict and war under this situation, it will give rise to a grave consequence in which peace on the Korean peninsula and in Asia as well as man's destiny may be destroyed. It is a quite irresponsible attitude to leave this dangerous situation as it is or disregard it, and it is also an unerasable crime against mankind.

The DPRK and the United States have the direct responsibility to prevent another war and guarantee peace on the Korean peninsula. No third party can take the place of either side. The actual parties concerned to the Korean Armistice Agreement are the DPRK and the United States. It is also the United States that has real power in dealing with security affairs in South Korea.

Based on our sublime responsibility, we proposed signing the tentative agreement that will replace the

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Armistice Agreement until a complete peace agreement is established. This is a transitional measure [kwadojok chochi] for establishing a new peace mechanism. Our proposal coincides not only with U.S. interests but with interests of all parties concerned.

The United States should no longer avoid its responsibility. As a matter of fact, the United States has so far neglected our proposal for establishing a new peace mechanism. This attitude is quite inadequate [irohan tae-donun maeu ondangchi mot-n kosimnid]. However, we have behaved towards the United States with patience and have put forward a new transitional proposal [saeroun chonijok chean] that the United States can easily accept, taking the U.S. position into consideration.

The reality requires us to think and judge more coolly than ever, as well as behave with reason. If the United States turns its back on the reality and continues to disregard our repeated just proposals, it will be entirely held responsible for the consequence resulting from its behaviors. We are watching U.S. reaction to our new positive [kungjongjok] proposal.

DPRK: Foreign Parties, Groups Urge U.S. To Accept Peace Mechanism

SK0705092196 Pyongyang KCNA in English
0833 GMT 7 May 96

[U.S. Should Accede To Talks With DPRK" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, May 7 (KCNA) — Foreign political parties and public organizations made public statements recently supporting the new proposal of the Democratic People's Republic of Korea for establishing a peace-keeping mechanism.

The Communist Party of Denmark (Marxist-Leninist) and the Danish Workers' Party, Common Cause in a joint statement noted the DPRK's proposal is a sole important one which makes it possible to settle the Korean question in a peaceful way.

The statement strongly urged the United States to accept the proposal without delay, accede to the talks with the DPRK and put an end to all acts rendering the situation on the Korean peninsula strained.

The National Committee of the Workers' Party of Zaire noted in a statement that the United States should reasonably and immediately accept the fair and aboveboard proposal of socialist Korea for bringing forth a new institutional mechanism replacing the Armistice Agreement.

The National Council of the Communist Party of India in a statement pointed out that the Armistice Agreement

signed in 1953 has already been made useless, which cannot contribute to ensuring peace on the Korean peninsula.

The Socialist Party, the Pakistani Committee for Supporting Korea's Reunification and various other organizations of Pakistan in a joint statement noted the DPRK's new proposal is really fair and aboveboard, serving as a practical step for preventing a new war on the Korean peninsula.

It stressed if the United States really wants peace on the Korean peninsula it should immediately accede to the proposal.

DPRK To 'Wait' Before Deciding on Proposal for 4-Way Talks

SK0705100496 Pyongyang KCNA in English
0954 GMT 7 May 96

["Foreign Ministry Spokesman on Proposed 'Four-Way Talks'" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, May 7 (KCNA) — A spokesman for the Foreign Ministry of the DPRK answered a question put by KCNA today concerning the rumours circulated worldwide about the DPRK's position toward the U.S.-proposed "four-way talks."

He told KCNA:

We have already declared we would study the purport and feasibility of the "four-way talks" proposed by U.S. President Bill Clinton on April 16 to begin a peace process on the Korean peninsula.

This is motivated by our sincere consideration to make most use of all possibilities for preserving peace and security on the Korean peninsula under the prevailing situation.

It is a stark fact that a touch-and-go situation predicting war has been created on the Korean peninsula due to the unprecedented military exercises of the South Korea authorities against the North and the zealous backing of the U.S. bellicose elements.

Our People's Army could not but take a positive countermeasure to defend the security of the country and the gains of the revolution under this situation.

The decisive self-defensive measure meant that the People's Army would no longer observe the provisions of the Armistice Agreement concerning the Demilitarized Zone (DMZ) along the Military Demarcation Line because the southern portion of the DMZ has lost its character as a buffer zone and turned into a new attack starting position against the North.

The United States proposed "four-way talks" against the background of this situation.

In order to clearly understand the purport and purpose of the U.S. proposal and learn if any other intention is lurking behind it and if the proposal is feasible, we lost no time to ask the United States to give a detailed explanation of its proposal.

If the proposal for "four-way talks" is really aimed at preserving peace on the Korean peninsula and sets no precondition, there will be no particular reason or ground to be reluctant to give an understandable explanation of the proposal to meet our demand.

Regrettably, however, we have not received any official explanation about the proposal and, accordingly, we are increasingly doubtful about it with the passage of time.

As we have consistently maintained, it is reasonable that the issue of preserving peace on the Korean peninsula should be discussed and decided on between the DPRK and the United States, the real parties to the Armistice Agreement.

Moreover, the establishment of a new peace mechanism has become a pressing issue because the wornout Armistice Agreement cannot control the present touch-and-go situation on the Korean peninsula.

In the proposal for "four-way talks" there is no explanation as to how all these problems we are concerned about will be dealt with.

Under this situation, we are going to wait a little more with utmost patience and self-control for the U.S. side to give a necessary explanation, although a long time has so far passed meaninglessly.

Now, some countries express support to the proposed "four-way talks" and say this and that, asking the DPRK to accept it. This will, however, add to the complexity of the situation.

It is up to the DPRK, the responsible party, whether to support or oppose the proposed "four-way talks." A third party's "instruction" will be of no use.

We will taste and judge whether it is sweet or bitter.

DPRK: Corrected Version of U.S.-ROK Operation 5027

SK0605140496 Pyongyang Korean Central Broadcasting Network in Korean
0853 GMT 4 May 96

[Corrected version of NODONG SINMUN 4 May commentary: "An Open-Phase Scheme for War Provocation", published in the 6 May EAST ASIA DAILY RE-

PORT on p 18; explanatory note describes difference from original FBIS version]

[FBIS Translated Text] The South Korean rulers, who have created a critical danger of war on the Korean peninsula, are making very alarming moves. The puppet military recently disclosed to the public through the press the so-called Five-Stage Operation 5027, a war provocation plan for northward invasion.

In this regard, the South Korean paper CHOSON ILBO reported that the puppet Defense Ministry and the Joint Chiefs of Staff Headquarters have mapped out multifarious measures to cope with the prevailing situation and have set out about reexamining the [word indistinct] operation plan, as well as reported the content of the operation plan in detail.

According to the report, in the first stage of the operation, the U.S. combat forces will be reinforced and rapid deployment deterrent forces will be deployed on the Korean peninsula under the pretext of preventing war; in the second stage, huge reinforcement forces including 500,000 U.S. troops will be dispatched to the Korean peninsula within 90 days after the outbreak of war; and in the third stage, the forces will cross the frontline, march to the North, and hold large-scale landing operations. Therefore, the operation plan is run through with a provocative and aggressive tendency.

The puppets say the operation plan was drafted years ago and was complemented later. The South Korean ruling forces mapped out with the United States a plan for war against the North and reported it through a newspaper; this shows their scheme to provoke a war has reached an undisguised phase, and we cannot look on this situation with folded arms [kudurui chonjaeng tobal ummoga konggaejogin tangyee inurottanun kosul poyojunun kosuroso susubanggwan halsuommun sataeida].

Moreover, what we cannot but seriously view is the fact that they released to the public the operation plan for northward invasion at a time when it began to be implemented. The South Korean puppets have turned the Demilitarized Zone and the Military Demarcation Line into a starting position for northward invasion and are ceaselessly conducting war adventures [chonjaeng mohom] against our Republic, mobilizing huge armed forces. This can be seen only on the eve of war.

Keeping in step with the puppets, the U.S. military forces deployed a combat corps of aircraft carriers around the Korean peninsula early this year, and the U.S. Pacific Headquarters is moving to also dispatch hundreds of thousands of U.S. troops to South Korea. In addition, the modernization of the U.S. occupation forces in South Korea and the reinforcement of the

puppet army is being accelerated. This clearly shows that the Five-Stage Operation 5027 has entered an implementation stage [sirhaeng tangye].

Now it has become clear why the South Korean puppets have unilaterally broken the Armistice Agreement to pursue confrontation and war. It was no accident that they blocked and froze the North-South dialogue, which had been held even during the Sixth Republic of the military dictatorial regime, and that they were dead set against us, agitating their sorrowful fellow countrymen at the time we suffered misfortune.

The United States and the puppet Kim Yong-sam clique are talking about peace and reunification, but actually they are pursuing war and reunification by force of arms. The Five-Stage Operation 5027 is not merely a war plan but a detailed program for reunification by force of arms. This is proved by the fact that the plan reads that the reunification of the Korean peninsula will be realized under their leadership after practicing attack operations for northward invasion.

At a time when the world pursues detente and peace and the entire nation earnestly desires peace and the peaceful reunification of the country, they are planning a war that will bring national ruin. What a vicious nation-seller and warmonger group they are!

The justness of the self-defensive measures we recently took while warning against the graveness of the situation of the Korean peninsula is proven by today's reality in which there is no grounds for controversy as to where the danger of war on the Korean peninsula is coming from, and in which the question is not whether a war will take place, but when a war will break out [chonjaengi ironagennung maigennung hanungosi munjega anira kusijomi onjeinga hanungosi munjero toegoinnun onurui hyonsil].

As they have released to the public their plan for northward invasion, the Kim Yong-sam group will no longer be able to talk about dialogue and reunification and will be branded by history and posterity as heinous traitors who desperately tried to plunge the nation into a nuclear disaster in collusion with outside forces.

At a severe and grave time today, when the war provocation scheme by the United States and the South Korean puppet clique has reached an undisguised phase, and when the only action that remains is the actual sound of gunfire, we cannot help but take due countermeasures [mugukkwa namjoson koeroedodangui chongjaeng tobal ummoga konggaejogin tangyee irugo ije mullijok chongsongmani namainnun chunomhago omjunghan si-jomeso urinun kue ungdanhan taeungchaegul kang-guhaji anulsu opta].

If the members of the Kim Yong-sam ring [replacing "Kim Il-song" with "Kim Jong-sam"] place too much confidence in themselves and think they can hurt us, they are truly mistaken. We also have the same fire roll as the puppets have. Our people and People's Army have the revolutionary trait of handling with fire those who provoke our Republic and give them a thousandfold punishment.

The United States and the South Korean puppets should immediately cancel the aggressive war provocation plan. If they continuously try to provoke a war despite our warning, our people and People's Army will defeat the aggressors with one blow and root out the source of war from the Korean peninsula.

DPRK: Holding of 27 Apr Pomchonghangnyon Rally Reported

*SK0705090896 Pyongyang KCNA in English
0857 GMT 7 May 96*

[FBIS Transcribed Text] Pyongyang, May 7 (KCNA) — The April 27 rally of the National Alliance of Youth and Students for the Country's Reunification (Pomchonghangnyon) was reportedly held on April 27 under the co-sponsorship of the North side, South side ar overseas headquarters of Pomchonghangnyon.

The South side headquarters of the organisation held a rally in Seoul as part of the rally programme.

Memorial services for Kim Se-chin and Yi Chae-ho who were killed in anti-U.S. struggle for independence, anti-fascist struggle for democracy ten years ago, took place at the rally.

Political speeches were published on the subjects of "Let Us Keep the U.S. Imperialists and the Kim Yong-sam Regime From Aggravating Tensions and Guarantee a Durable Peace on the Korean Peninsula!", "Let Us Check the United States' Interference in the Internal Affairs and Drive Yankees, Behind-the-Scene Manipulators of the Kwangju Massacre, out of South Korea!" and "Let Us Make 1996 a Year of Peace and Great National Unity Through the Great Unity of the Whole Nation and Reunify the Country Through Confederation!" The North side, South side and overseas headquarters of Pomchonghangnyon had reached a consensus of views on them.

The topic of the political speeches was that for the Korean nation to reunify the country is the supreme task and for its materialisation the great unity of the whole nation should be achieved under the uplifted banner of Pomchonghangnyon.

Some documents were read at the rally.

A special resolution of Pomchonghangnyon called for an immediate release of Chong Min-chu and Yi Hyechong, "birds of hope for reunification," and for the abolition of the "National Security Law" [NSL]. It bitterly condemned the Kim Yong-sam group for their legal action against those delegates and called for a powerful struggle for their release. It also called for the scrapping of the anti-national, anti-reunification "NSL," an obstacle to the meeting of youth and students in the North, South and abroad and the highest barrier lying in the way of great national unity, for putting a period to all manner of interference in the internal affairs and the presence in South Korea of U.S. imperialism, the enemy of the Korean nation and the source of escalating tensions and war manoeuvrings on the Korean peninsula, and for reunifying the country by confederacy formula.

A resolution concerning immediate struggle of Pomchonghangnyon called for a sustained struggle to denounce, in the name of the whole nation, the U.S. imperialists and the Kim Yong-sam regime for raising a hue and cry over "military threats from the North".

It also called upon the 2 million students in the North, South and overseas to wage an undaunted struggle against all schemings and moves aimed at laying an obstacle in the way of establishment of a peace mechanism and, furthermore, shattering it to pieces.

It laid a particular emphasis on the calling for foiling confrontation schemes and war preparations under the banner of anti-U.S., anti-Kim Yong-sam struggle this year, making 1996 a "year of peace and great national unity", bringing about a new turn in the movement for the country's reunification to build a confederal state.

A joint resolution of the Pyongyang Municipal Student Committee and the Seoul District Federation of University Student Councils denounced the U.S. for its involvement in the Kwangju massacre and said no to the military manoeuvres for a war on the Korean peninsula. It stressed:

The struggle of our nation for peace on the Korean peninsula and great national unity has become an irresistible current and it calls for establishment of a new peace mechanism.

Always at the van of the glorious struggle of our nation stands Pomchonghangnyon, a vanguard for the building of a new country.

The Pyongyang Municipal Student Committee and the Seoul District Federation of University Student Councils will discharge their mission as the solid cornerstones of Pomchonghangnyon.

The stars and stripes and models symbolic of the U.S. war manoeuvrings were burnt at the rally.

At the end of the rally the students held a demonstration shouting anti-U.S., anti-government slogans, defying the suppression by the fascist police.

DPRK: LDP Official's Remarks on Asian Security Denounced

*SK0705034796 Pyongyang KCNA in English
0336 GMT 7 May 96*

[FBIS Transcribed Text] Pyongyang, May 7 (KCNA) — Taku Yamasaki, chairman of the Political Affairs Research Council of Japan's Liberal Democratic Party [LDP], in an ASAHI T.V. program on May 5, stated that Japan is committed to assisting the U.S. forces in any area outside the Far East in the "event of an emergency" in line with the "Japan-U.S. security treaty", according to a report from Tokyo.

He made the remark, talking as if Japan were making efforts for peace and security in the Asia-Pacific region.

His outburst strikingly represents the ulterior intention of the Japanese reactionaries to further expand the overseas dispatch of forces and carry into practice the ambition for re-aggression by siding with the U.S. war moves through the "Japan-U.S. security treaty" under the deceptive pretext of "ensuring peace and security of the region."

To this end, the Japanese reactionaries consider the Korean peninsula to be a major object. This is vividly illustrated in Yamasaki's open remarks that Japan should "pay priority to the situation on the Korean peninsula" in a military tieup with the United States.

DPRK: Departure of Fifth KEDO Site-Survey Team

*SK0705090996 Pyongyang KCNA in English
0901 GMT 7 May 96*

[FBIS Transcribed Text] Pyongyang, May 7 (KCNA) — The 5th U.S.-led KEDO [Korean Peninsula Energy Development Organization] site-survey group for the light-water reactor project in accordance with the DPRK-U.S. framework agreement left here today after winding up its itinerary in Korea.

DPRK Denounces 'Reckless War Preparations' by South

*SK0705041596 Pyongyang KCNA in English
0407 GMT 7 May 96*

[Source of War Must Be Removed" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, May 7 (KCNA) — The traitor Kim Yong-sam showed up at a "ceremony to mark the 50th anniversary of the military academy" on May 4 and reportedly called for "training of world-level elite forces" and incited a war fever in the puppet army.

Earlier, the puppet military asked the United States for 200 million dollars worth of military equipment, including missiles to be installed at destroyers and submarines.

The South Korean puppets have deployed tanks and other heavy weapons in the areas near the Military Demarcation Line in wanton violation of the armistice agreement. They are perpetrating military provocations in the areas almost every day.

They plan to build a large-scale combat drill ground in South Korean Kangwon Province. They have gone so far as to open to the public new operation plan 5027.

Facts show the nation cannot evade the scourge of war unless the Kim Yong-sam group is removed.

Now that peace and security on the Korean peninsula are exposed to grave danger due to the reckless war preparations of the South Korean bellicose elements, we cannot but seek legitimate countermeasures.

We have already declared that the mission of the Korean People's Army is not confined to defence from enemy aggression.

The revolutionary habit of our people and people's army is to answer fire with fire and stick with stick.

If the South Korean puppets unleash a war despite our repeated warnings, we will annihilate the aggressors and uproot the source of war on the Korean peninsula.

DPRK: 'Fascist Clique' for 'Repression' Criticized

*SK0705040496 Pyongyang KCNA in English
0348 GMT 7 May 96*

[Brutal Act of Blood-Thirsty Murderers" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, May 7 (KCNA) — The Kim Yong-sam fascist clique fired teargas cannisters at a two-metre-away student while ruthlessly cracking down on student protesters calling for the

release of their fellow students in Kwangju a few days ago. The student is now in danger of becoming blind.

In less than a month, the fascist clique had killed five patriotic students.

NODONG SINMUN today describes this as only one instance showing the fascist outrages of the puppets against patriotic students.

The news analyst says:

What the South Korean students wish is freedom of learning of the truth, social justice, independence and democracy in society and national reunification.

They have risen up in the valiant struggle against Kim Yong-sam and the "New Korea Party" because they are well aware that their desire for independence, democracy and reunification will never be met unless the traitorous group of Kim Yong-sam, the strangler of freedom and democracy, fascist tyrant and enemy of reunification, is overthrown.

Upset by this struggle involving more students and people with the passage of time, the fascist clique is making desperate efforts to block it.

As the miserable ends of the successive rulers of South Korea show, those who are forsaken by the people and resort to repression are short-lived and will be thrown into the dust-bin of history.

The Kim Yong-sam group is no exception.

DPRK Daily Decries NKP 'Operations' Against Opposition Parties

*SK0705035696 Pyongyang KCNA in English
0345 GMT 7 May 96*

[Despicable Operations Against Opposition Parties" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, May 7 (KCNA) — MINJU CHOSON today comments on the prejudiced target investigation on some elected opposition and independent "law-makers" and overt appeasement, pressure and blackmail to include them in the "New Korea Party [NKP]" in South Korea.

The news analyst says:

The Kim Yong-sam group's despicable operations to destroy the opposition parties are a product of their campaign to make up for their defeat in the "general election."

The developments surrounding the "general election" in South Korea are unfavorable to the "New Korea Party,"

which failed to gain the majority in "parliament," and to the traitor Kim Yong-sam in the latter half of his office.

The Kim Yong-sam group are leaving no stone unturned in a bid to lessen the number of opposition "law-makers" and increase the number of the ruling party's "law-makers" so that they can secure the majority in "parliament" and play a one-party show as ever.

In the course of the Kim Yong-sam group's operations against the opposition parties and the latter's strong counteraction, the treacherous nature of the political swindlers will be brought into bolder relief and the isolation of the "New Korea Party" at home and abroad will grow more serious.

DPRK: Group Denounces Japan's 'Violence' Against Koreans in Japan

*SK0705040996 Pyongyang KCNA in English
0352 GMT 7 May 96*

[*"Brutal Acts Against Japan-Resident Korean Students Under Fire"* — KCNA headline]

[FBIS Transcribed Text] Pyongyang, May 7 (KCNA) — The Korean Student Committee released a statement on May 6 denouncing the brutal acts of Japanese rightist gangsters against Japan-resident Korean students.

It vehemently denounced the violence as an unpardonable criminal act seeking a sinister political purpose to destroy the General Association of Korean Residents in Japan (Chongnyon) and dampen the national spirit and stamina of the Korean students in Japan.

On April 26, a ruffian in his forties stabbed a third-year girl student (senior course) of the Korean Senior Middle School in Tokyo who was returning home after school, and ran away.

Earlier, in the period from April 12 to 17, brutal acts of violence against Japan-resident Korean students were committed in succession in Japan.

This is not merely a delinquent act of ruffians but a premeditated and deliberate political terrorist act of the Japanese rightwing gangsters who are accustomed to anti-DPRK, anti-Chongnyon moves, the statement stressed.

The Japanese authorities are to blame for violence and damage inflicted upon Japan-resident Korean students as they connive at them, the statement said, and continued:

The Japanese authorities must feel a legal responsibility for the recent cases of violence, officially apologize to our republic and Chongnyon and promptly arrest and punish the criminals. And they must take legal measures

to protect the students of Korean schools in Japan so that such incidents may not occur again.

We express the expectation that the world people who love justice, democracy and human rights to pay deep heed to the national chauvinistic, inhuman and dastardly terrorist acts in Japan and lift up voices of protest and denunciation against them.

DPRK: Japan Urged To Accept UN Recommendation on 'Comfort Women'

*SK0705104596 Pyongyang KCNA in English
0900 GMT 7 May 96*

[FBIS Transcribed Text] Pyongyang, May 7 (KCNA) — A meeting urging the Japanese Government to accept a U.N. recommendation on the issue of the "comfort women for the Japanese Army" was held in Osaka, Japan, a few days ago.

A lawyer Etsuro Totsuka said how a report of a special rapporteur on "wartime sex slavery system" was adopted at the 52nd meeting of the U.N. Commission on Human Rights.

"The Japanese Government sent copies of a 'secret document' to the member states of the U.N. Commission on Human Rights, asking them to deny the report, but it was rejected and repealed, and the Japanese Government conducted a propaganda campaign to the last to turn down the report," noted the lawyer.

Prof. Yoko Tajima at Hosei University accused the Japanese Government for its unreasonable attitude of making no apology for the "wartime sex slavery system".

Prof. Michiko Nakahira at Waseda University said that the former "comfort women for the army" are still troubled with great mental sufferings. "If Japan is to become a country enjoying support from Asia, the government should take right position," she said.

DPRK Stresses 'Wholehearted' Unity

*SK0705064196 Pyongyang Korean Central Broadcasting Network in Korean
2300 GMT 4 May 96*

[NODONG SINMUN 5 May editorial: "Let Us Complete the Chuche Revolutionary Cause to the End With the Might of Wholehearted Unity"]

[FBIS Translated Text] Today our revolution is overcoming all sorts of storms of history and daringly advancing with the might of wholehearted unity.

We significantly commemorate the 60th anniversary of the founding of the Association for the Restoration

of the Fatherland [ARF] at a time when the entire party membership, the entire Army, and all the people are vigorously accelerating the general march of our-style socialism firmly united around the respected and beloved Comrade Kim Chong-il [kyongaehanun kimjongil tongji].

Greeting this day, all our party members and working people are filled with the boundless reverence for the respected and beloved leader Comrade Kim Il-song, the eternal sun of chuche and the great father of the people, and are firmly resolved to complete the chuche revolutionary cause to the end abiding by the leader's behests.

The founding of the ARF 60 years ago by the great leader Comrade Kim Il-song shines as an immortal achievement he made in the struggle to pioneer and advance the chuche cause.

The great leader Comrade Kim Chong-il has noted: The founding of the ARF in May 1936 was an event of historic significance in firmly uniting the popular masses of various strata, including workers and peasants, around the great leader Comrade Kim Il-song and strengthening the party's mass base.

The revolution is unity, and unity is the primal basis for the revolution. To achieve victory in the revolution, the revolutionary ranks should be firmly united and all the fellow countrymen should be united.

In the most dismal days of Japanese imperialist rule, uniting all the people into the front of the fatherland restoration was put forth as a national historical task that was not to be postponed.

The great leader Comrade Kim Il-song had for quite some time held a grand idea of uniting the entire nation in one and made every energetic effort for its realization until he founded the ARF on 5 May 1936. The ARF was the most comprehensive and unitary organization of anti-Japanese national united front comprising the popular masses of various strata, including workers and peasants.

With the founding of the ARF, broad popular masses aspiring for the anti-Japanese patriotic struggle were united more firmly around the great leader, and the independent force of our revolution was built firmly.

As the banner of the ARF fluttered high, a new upswing arrived for the Korean revolution, and the cause of fatherland restoration advanced vigorously. Truly great and immortal is the achievement of the respected and beloved leader Comrade Kim Il-song who provided the tradition of great unity during the days of the arduous

anti- Japanese revolutionary struggle and pioneered the bright future of the nation.

The 60 years since the founding of the ARF are the glorious annals of the victorious advance of our revolution with the might of wholehearted unity. Our revolution has tread through days of trials. Our people have had to wage a fierce revolutionary war of defeating two powerful imperialist countries, and have had to advance the socialist cause by repelling the imperialists' constant threats and challenge.

Our party and people were always able to register victory in this road of arduous struggle because they enjoyed the great leader's sublime wise leadership that ensured wholehearted unity.

The past 60 years has been a proud course in which our revolutionary rank's wholehearted unity has been firmly solidified based on one center and one ideology. The might of unity consists in the firmness of its center. The great leader Comrade Kim Il-song, whom our nation came to have for the first time in its thousands of years of history, was the only central point of our people's unity.

The chuche idea, the fatherly leader's revolutionary ideology, was the ideological banner of unity of our revolutionary rank; the leader's outstanding leadership was the life-giving water for our revolutionary rank to function consistently; and the leader's noble character was the source that enabled all the people to become one family with the leader.

Our people have always entrusted their destiny to the leader regarding the great leader as the benefactor and the sun of their life in prosperity as well as in adversity, and have lived and struggled according to the leader's ideology and will.

The faith and will of the Korean communists and people who are determined to firmly defend the center of the great unity and to defend the unity of the revolutionary rank were not shaken at all in the face of the vicious bayonet of the enemies and their persistent maneuvers to crush them. Because of this, our rank of wholehearted unity born in the days of the anti-Japanese revolutionary struggle grew hundredfold and thousandfold and displayed its invincible might.

The course of the past 60 years was a rewarding course in which all the fellow countrymen were firmly united under the banner of the great national unity and vigorously advanced the noble national historical cause.

It is the great leader's independent outlook on the nation that the entire nation should unite, regarding independence as the life of the nation, defend and realize

the nation's independence, and achieve prosperity for the entire nation.

Throughout the entire period of his revolutionary activities, the great leader Comrade Kim Il-song devoted his all to unite into one force the people from various walks of life with different backgrounds of ideology, political view, religion, and position.

The great leader's noble ideology of great national unity and his infinitely broad magnanimity was the source of firmly uniting all the people who loved the nation, and a driving force that converted those who committed a crime against the nation in the past to the way of patriotism.

It became a trend of the national history to look up to the respected and beloved leader Comrade Kim Il-song as the sun of the nation and struggle firmly united around the leader. In this very powerful trend, the unity of the whole nation for the country's reunification was strengthened.

We are very proud, when we recall the past 60 years of the militant course, that the tradition of wholehearted unity and the tradition of the great national unity which the great leader provided are brilliantly inherited and are exerting greater might by the respected and beloved Comrade Kim Chong-il [kyongaehanun kimjongil tongji].

The inheritance of the revolution is the inheritance of unity. When we uphold the leader [yongdoja] who is boundlessly loyal to the leader [suryong] and his cause, the tradition of unity is inherited and the lifeline of the revolution is firmly carried on. This is the noble truth that has been confirmed by the practice of our revolution.

The respected and beloved Comrade Kim Chong-il [kyongaehanun kimjongil tongji] is the only center of our wholehearted unity which is inherited generation to generation. By upholding the great leader Comrade Kim Chong-il, who takes exactly after the fatherly leader in ideology, leadership, and traits, the tradition of wholehearted unity which took root in the days of the anti-Japanese revolutionary struggle is firmly inherited generation to generation.

Today, our society forms the most solid unified body in which all the people are putting into practice the ideology, ideals, and aspirations as the great leader [widaehan yongdoja] does and takes exactly after the leader's traits. That the slogan on defending the respected and beloved Comrade Kim Chong-il [kyongaehanun kimjongil tongji] as rifles and bombs with the death-defying spirit prevails in the entire society shows well how strong the might of our wholehearted unity is.

Because the great leader Comrade Kim Chong-il's authority is so high and his character and moral repute are so high and noble, all the Korean compatriots at home and abroad are waging a vigorous struggle for the country's reunification with one center and one ideology.

To realize the great national unity and achieve the cause of the country's reunification under the leadership of the respected and beloved general is the unstoppable aspiration of our nation. Because we uphold the respected and beloved general, our nation's future is endlessly bright.

The historic experiences gained in the long history of our people's revolutionary struggle show that only the great leader [widaehan yongdoja], who represents the entire nation's will and leads the nation's destiny, can achieve the true sense of national unity.

Looming before us at the present stage is the heavy yet glorious tasks of reunifying the fatherland and completing the chuche revolutionary cause to the end, upholding high the great leader [yongdoja] Comrade Kim Chong-il. In order to brilliantly fulfill these glorious tasks, the tradition of the unity achieved during the period of anti-Japanese struggle should be inherited, and all the people should staunchly fight ahead with the single-hearted unity around the party and the leader [suryong].

Eternally upholding the great leader Comrade Kim Il-song is a firm guarantee to consolidate and develop our single-hearted unity. Our single-hearted unity is the most powerful unity prepared by the great leader Comrade Kim Il-song. Apart from the great leader Comrade Kim Il-song's high authority, wise leadership, and lofty features, we cannot think about the achievement of the true sense of the revolutionary unity in our revolution and the endless development and strengthening of the revolutionary unity in accordance with the progress in the revolution.

The great leader [suryongnim] lives forever as the brain of the social and political organism along with the unity among the leader [suryong], the party, and the masses, and the history of the leader's [suryongnimui] unity continues to flow.

The feats performed by the great leader [suryongnim] on the road of the long and complicated struggle are the eternal lifeline as well as the lasting asset of our single-hearted unity. As long as the revolution continues and the struggle for unity remains, the feats of the leader [suryongnim] will display their inexhaustible vitality.

All the party members and working people should uphold the great leader Comrade Kim Il-song as the eternal leader and should unite in the style of the

leader [suryongnim]. We should also unremittingly value the tradition of the unity, which was created by the great leader [suryongnim] amid the flames of the anti-Japanese revolutionary struggle, and should resolutely adhere to and defend it. Especially, we should brilliantly embody the leader's [suryongnimui] exceptional accomplishments achieved in various fields and his experiences gained during the struggle.

Uniting, uniting, and again uniting around the great leader [yongdoja] Comrade Kim Chong-il is the most lofty work to achieve the enrichment and prosperity of our country, our fatherland, and to consummate to the end the chuche revolutionary cause.

Lying ahead of the Kim Il-song nation is the bright future in which it will endlessly prosper under the leadership of the respected and beloved General Kim Chong-il. The great leader [yongdoja] Comrade Kim Chong-il is a great statesman, and an ever-victorious and iron-willed brilliant commander who is making victories, shouldering the destinies of our fatherland and our nation.

The national cause, which was brilliantly pioneered by the great leader [suryongnim] in his early days and was materialized in accordance with the ideas of the Association for the Restoration of the Fatherland, is successfully realized by the respected and beloved Comrade Kim Chong-il [kyongachanun kimjongil tongji]. The tested leadership of the great Comrade Kim Chong-il [widaehan kimjongil tongji] is a fundamental source that glorifies the chuche socialist fatherland and that eternally turns our nation into a united and powerful nation. As long as the respected and beloved general exists, our nation will shed its light as a proud nation which has tight grip on its own destiny.

Cherishing deep in their hearts the happiness in having great leaders generation after generation, all the party members and working people should be endlessly loyal to the respected and beloved Comrade Kim Chong-il's [kyongachanun kimjongil tongjui] leadership and ideology. Bearing in mind that our nation and our fatherland have a bright future because they uphold the great leader [yongdoja], we should resolutely defend the respected and beloved general politically and ideologically with their lives. In addition to this, the authority of the great Comrade Kim Chong-il [widaehanun kimjongil tongji] should be made absolute and ensured in every way.

In the past, all fellow countrymen brilliantly realized the cause of national liberation by having the respected and beloved Comrade Kim Il-song play the center of great unity, and by firmly uniting themselves around him. Like them, our people will consummate the chuche revolutionary cause to the end by overcoming all sorts of

difficulties, single-heartedly uniting themselves around the great leader [yongdoja] Comrade Kim Chong-il.

All fellow countrymen fighting ahead under the banner of the great national unity are an important key to achieve the historic cause of the fatherland's reunification. The reunification of the fatherland is the most urgent task that can no longer be delayed. From the initial day of the nation's division until his last moment, the great leader [suryongnim] devoted his everything to achieve the peaceful and independent reunification of the fatherland and, on this road, performed great immortal feats before the fatherland and the nation.

The entire nation should rise to achieve national reunification at the earliest possible date, upholding the cause of national reunification set forth by the great leader [suryongnim], the father of the nation. Connecting severed blood line and reunifying the divided fatherland are the joint task of the entire nation.

We should isolate the few anti-reunification forces which seek confrontation and division, and should promote great national unity. All fellow countrymen in Korea, who value the nation's future, should join their hands just as people of various levels, including communists, fought together in one united front under the banner of national liberation. Only then will the tragedy of division end, and will reunification of the fatherland be achieved with our own hands.

Transcending their systems and ideas, all parties, factions, and the people of all walks of life in the North, the South, and overseas should firmly unite under the banner of the 10-point program for the great national unity, which was set forth by the great leader [suryongnim]. Everyone should contribute to the cause of national reunification in accordance with the specific circumstances and conditions of their own strength, knowledge, and property.

Today, the South Korean puppet clique is running all the more amok to provoke a war of northward invasion. We should resolutely check and crush the South Korean puppet clique's maneuvers and should vigorously fight ahead to achieve the cause of national reunification.

All the people in the northern half of the Republic should vigorously accelerate the socialist construction to realize the cause of national reunification at an early date and consolidate the three positions of socialism of our own style as invincible bulwarks. All the party members and working people should audaciously overcome difficulties and hardships and effect new upsurges in implementing the party's revolutionary economic strategy in the spirit of the Arduous March created in the thick forest of Paektu.

There is nothing that can block the future road of our people, who have the valuable tradition of having achieved national unity under the banner of independence from the days of anti-Japanese struggle. All the 70 million Korean fellow countrymen should uphold the respected and beloved General Kim Chong-il, the great leader [yongdoja] of the nation, as the great lodestar of reunification and continuously fight ahead so as to endow future generations with a reunified fatherland.

The great leader Comrade Kim Il-song achieved national reunification by founding the Association for the Restoration of the Fatherland in his early days and by victoriously leading the heroic anti-Japanese struggle. He firmly united all the people as one and brilliantly pioneered the nation's destiny. All the accomplishments achieved during this course will be immortal.

Invincible are our party and people who have inherited and are consummating the chuche revolutionary cause, which was set forth by the respected and beloved leader [suryongnim], and who are single-heartedly united around the great leader [yongdoja] Comrade Kim Chong-il.

DPRK: Al-Qadhdhafi Receives Foreign Minister Kim Yong-nam 4 May

*SK0605141296 Pyongyang Korean Central Broadcasting Network in Korean
1300 GMT 6 May 96*

[FBIS Translated Text] Colonel Mu'ammar al-Qadhdhafi, leader of the Great 1 September Revolution of the Socialist People's Libyan Arab Jamahiriya, received Kim Yong-nam, vice premier and foreign minister of the DPRK, on 4 May.

At the meeting, the foreign minister conveyed greetings from the great leader [yongdoja] Comrade Kim Chong-il to Colonel Mu'ammar al-Qadhdhafi. Colonel Mu'ammar al-Qadhdhafi expressed deep gratitude for this and asked the foreign minister to convey his warmest greetings of longevity to the great leader [yongdoja] Comrade Kim Chong-il.

He said the DPRK foreign minister's visit to Libya was an expression of the DPRK's solidarity with Libya. He noted that Libya is carefully watching the U.S. military provocations against the DPRK.

He stressed: I hope the respected and beloved General Kim Chong-il, the most excellent friend of mine and a great leader [yongdoja], will continuously display his unparalleled courage in the anti-imperialist struggle.

Present at the meeting were the DPRK ambassador to Libya, the DPRK foreign minister and his party, the secretary of the External Liaison and International

Cooperation Bureau of the Libyan General People's Committee, and other Libyan functionaries of sectors concerned.

DPRK: Mongolian Foreign Ministry Delegation Arrives in Pyongyang

*SK0705110696 Pyongyang KCNA in English
1009 GMT 7 May 96*

[Spelling of Mongolian names as received]

[FBIS Transcribed Text] Pyongyang, May 7 (KCNA) — A delegation of the Ministry of Foreign Relations of Mongolia led by Vice-Minister Ch. Baatar arrived here today.

The delegation was greeted at the airport by Choe U-chin, vice-minister of foreign affairs, and Mongolian Ambassador to Korea D. Byambaa.

DPRK: Kim Chong-il Receives Gift From Zimbabwean Foreign Minister

*SK0705104496 Pyongyang KCNA in English
0901 GMT 7 May 96*

[FBIS Transcribed Text] Pyongyang, May 7 (KCNA) — The great leader Comrade Kim Chong-il received a gift from Zimbabwean Foreign Minister I.S.G. Mudenge.

Mudenge handed it to Vice-President Yi Chong-ok.

DPRK: Zimbabwean Foreign Minister Concludes Visit to DPRK 7 May

*SK0705110596 Pyongyang KCNA in English
1011 GMT 7 May 96*

[FBIS Transcribed Text] Pyongyang, May 7 (KCNA) — The Zimbabwean Government delegation led by Foreign Minister I.S.G. Mudenge left here today after winding up a four-day visit to Korea. The delegation was seen off at the airport by First Vice-Minister of Foreign Affairs Kang Sok-chu.

During the visit a series of matters of common concern were discussed at the talks between government delegations of the DPRK and Zimbabwe.

The Zimbabwean guests also visited the Tower of the Chuche Idea, May Day Stadium and other places.

DPRK: Kim Chong-il Receives Messages From India, Guyana, Ghana

*SK0705040096 Pyongyang KCNA in English
0333 GMT 7 May 96*

[FBIS Transcribed Text] Pyongyang, May 7 (KCNA) — The great leader Comrade Kim Chong-il received messages of greetings and letters from participants in

a mass rally organized by the All India Indo-Korean Friendship Association, the Indian Committee for Supporting Korea's Reunification and the Asian Regional Committee for Supporting Korea's Reunification and in meetings held by the National Youth Council of Ghana, the Training Centre of Youth Officials of Ghana, the Chuche Idea Study Society of Delhi, India, and in Corriverton, Guyana, on the occasion of the birth anniversary of the great leader President Kim Il-song.

They stressed that President Kim Il-song was a great philosopher who founded the immortal chuche idea and provided the oppressed people of the world with the only guide of our era for building a new independent world.

Noting that President Kim Il-song devoted his whole life to the freedom and liberation of people, the development of humankind and the cause of independence till the last moments, they said that the immortal exploits performed by him will remain long in the hearts of the progressive people over the world as the banner of life and struggle.

They sincerely wished Comrade Kim Chong-il a long life in good health.

Comrade Kim Chong-il also received letters from participants in a joint seminar sponsored by the Ghanaian National Institute of the Chuche Idea and in the 17th National Seminar for the Study of the Chuche Idea of Guyana on the occasion of April 15.

DPRK: SKNDF Praises Kim Chong-il as Lodestar of Reunification

*SK0705090596 Pyongyang KCNA in English
0826 GMT 7 May 96*

[FBIS Transcribed Text] Pyongyang, May 7 (KCNA) — Reverence for the great leader Comrade Kim Chong-il is ever growing among South Korean people, said Seoul-based radio Voice of National Salvation.

According to an information of the Seoul City Committee of the National Democratic Front of South Korea (NDFSK) [SKNDF], a dissident Kim Song-pae told a seminar "April North-South Joint Conference and Present Tasks" sponsored by students on April 20:

"The leader Kim Chong-il, who has fully inherited the features of General Kim Il-song in ideology, leadership and virtue, is absolutely trusted by the 70 million fellow countrymen as the lodestar of national reunification and the great centripetal point of the unity of the whole nation."

"I think it is high time that the second North-South joint conference was held in presence of the Leader Kim Chong-il to seek a way of national reunification.

"If all the fellow countrymen fight in unity around him, we can smash the war provocation moves of outside forces and their stooges and move up the day of reunification."

A military analyst Kim Sok-ki said:

"Supreme Commander Kim Chong-il's inspections of forward areas which had continued from the beginning of this year are indicative of his paternal love for all the soldiers as his comrades in perfect harmony with him and as his own children."

"The leader Kim Chong-il is not only the supreme commander but the tender-hearted father for the servicemen of the North."

Meanwhile, the Saeppyl Student Society, an ideology study circle of students in Kyonggi provincial and Inchon city areas conducted a public opinion poll among 800 people on the occasion of the birth anniversary of President Kim Il-song. Asked who is the most respected man of the Korean people, most of them wrote: "President Kim Il-song and his successor General Kim Chong-il."

DPRK: Symposium Marks Anniversary of Kim Chong-il Work on Hospitals

*SK0305042396 Pyongyang KCNA in English
0350 GMT 3 May 96*

[FBIS Transcribed Text] Pyongyang, May 3 (KCNA) — A symposium was held here on Thursday to mark the 20th anniversary of the publication of "On Improving Hospital Management and Operation," a famous work of the great leader Comrade Kim Chong-il.

Present were Minister of Public Health Kim Su-hak, officials concerned, health workers and officials of medical scientific and educational institutions in the city.

Comrade Kim Chong-il in his work clarified that the essence of hospital management and operation is treatment for patients and stressed the need to strengthen the technological guidance over preventive medical care, improve quality of medical workers and well manage facilities and equipment, medicines and sanitary materials and supplies of the hospitals.

Speakers at the symposium noted that modern hospitals and clinics have been built in all parts of the country and the best people's health system established under the wise leadership and deep care of the great leader Comrade Kim Il-song and the respected General Kim Chong-il.

And they stressed the significance and importance of improving the management and operation of hospitals in conformity with such realities.

They called for effecting a new innovation in the management and operation of hospitals to implement the health policy of the Workers' Party of Korea, upholding the behests of Comrade Kim Il-song and the idea and leadership of General Kim Chong-il with loyalty, so as to greatly contribute to the promotion of the people's health and the prosperity of the socialist motherland.

DPRK: Kim Chong-il Thanks Scientists, Others for Aid to Economy

*SK0405044596 Pyongyang KCNA in English
0348 GMT 4 May 96*

[FBIS Transcribed Text] Pyongyang, May 4 (KCNA) — The great leader Comrade Kim Chong-il sent thanks to scientists and technicians of the institute of organic chemistry of the Hamhung branch of the national Academy of Sciences, officials and agricultural working people in Hwangju County, North Hwanghae Province and Han Son-hui, a journalist of KYOWON SINMUN (teachers' paper), for displaying communist traits.

The scientists and technicians of the institute of organic chemistry of the Hamhung branch of the national Academy of Sciences successfully solved new scientific and technical problems to contribute to development of the country's electronic, automation and printing industries. And officials and agricultural working people in Hwangju County did good things to develop the work of physical culture of the country.

Han Son-hui, a journalist of KYOWON SINMUN, actively helped educate school children.

Comrade Kim Chong-il sent thanks to young public security workers in North Hamgyong Province for contributing to coal production, upholding the revolutionary economic strategy of the Workers' Party of Korea.

DPRK: 'Creative Power of Masses' in Socialist Building Stressed

*SK0705091896 Pyongyang KCNA in English
0841 GMT 7 May 96*

["Increasing Creative Power of Masses Is Important Requirement of Revolution and Construction" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, May 7 (KCNA) — The great leader Comrade Kim Chong-il in "Socialism Is a Science" and other famous works gave an overall exposition of the theoretical and practical problems arising in building up the creative power of the popular masses and thus provided a sure guarantee for strengthening the driving forces of revolution and pushing ahead with socialist construction by its might.

NODONG SINMUN stresses this in an article today.

The author of the article says the basic force driving social development in socialist society lies in a high degree of revolutionary enthusiasm and creative power of the masses who are equipped with an independent ideology and closely rallied around the party and the leader.

The masses' creative power is a major factor for successful development of socialist society, it notes, and goes on:

So their creative power should be increased as it makes it possible to positively create conditions favourable for social development and accelerate socialist construction. When this power increases more and more, is it possible to more vigorously brave the difficulties and hardships in the building of socialism and continuously work new miracles and innovations.

The course of socialist construction dynamically conducted by the masses of the people to transform nature and society can be said, in the long run, to be a course of removing the old obstructive to the development of socialist society and creating the new favourable for it by giving play to their creative wisdom and energy.

As their creative power increases, the socio-historical movement develops further, social wealth increases and social relations are improved.

The demand of the masses for development as independent and creative beings can successfully be brought into practice only in socialist society.

As its people have a high degree of revolutionary zeal and an inexhaustible creative power, the Democratic People's Republic of Korea fulfills any difficult task and solves with its power and wisdom, all problems arising in the building of socialism under the banner of self-reliance, not wavering in face of the imperialists' economic blockade.

DPRK: Japan-Resident Korean Students Visit Kim Il-song Statue

*SK0705035596 Pyongyang KCNA in English
0341 GMT 7 May 96*

[FBIS Transcribed Text] Pyongyang, May 7 (KCNA) — A home-visiting group of Japan-resident Korean students on a visit to the socialist homeland called at the statue of the great leader President Kim Il-song on Mansu Hill on May 5 to pay respects to him.

They laid a floral basket and made a bow before the statue of President Kim Il-song.

DPRK: Foreign Media Commemorate Birth Anniversary of Kim Il-song

*SK0705085496 Pyongyang KCNA in English
0821 GMT 7 May 96*

[Spelling of newspaper names as received]

[FBIS Transcribed Text] Pyongyang, May 7 (KCNA) — Foreign news media devoted special write-ups to the birth anniversary of the great leader President Kim Il-song.

The Egyptian paper AL-SIYASSI carried a special write-up under the block-letter title "Glory To His Excellency the Great Leader President Kim Il-song and Prayer for His Eternal Life".

The paper carried the brief biography of President Kim Il-song and articles entitled "Inheritance of President's Cause in Korea" and "Korea's Reunification, Desire of the President".

The Malian paper CAREFOUR carried an article titled "President Kim Il-song Is Immortal in the Hearts of Progressive Humankind" with his portrait.

The article said:

President Kim Il-song is a supreme paragon of a great man, great revolutionary and communist who devoted all his life to the sacred cause for people.

The history of his revolutionary activities was that of the great leader of the nation who devoted his all to national unity and reunification and a whole life of the outstanding leader who made immortal contributions to the cause of human emancipation, upholding the banner of socialism and independence against imperialism.

Though he passed away, his great august name and exploits will be kept forever in the hearts of the Korean people and progressive humankind of the world.

Articles titled "The Great Man of Independent Politics," "For Human Cause of Independence" and so on were carried by the Russian papers VLADIVOSTOK, BOYEBAYA VAHTA, and AMURSKAYA PRAVDA, the Mongolian paper UNEN, the Tanzanian papers DAILY NEWS, UHURU and SHABA, the Angolan paper JOURNAL DE ANGOLA, the Algerian paper EL MOUDJAHID, the Ghanaian paper GHANA TIMES, the Ethiopian paper MONITOR, the Indian paper BADI WAKIL, the Guinean paper HOROYA and the Guyanese paper STAR BLOCK NEWS.

The birth anniversary was commemorated by television and radios of Tanzania and Equatorial Guinea, Radio Guinea and Radio Ouagadougou of Burkina Faso.

DPRK: Meeting, Photo Exhibition Mark Red Cross, Red Crescent Day

*SK0705104596 Pyongyang KCNA in English
0930 GMT 7 May 96*

[FBIS Transcribed Text] Pyongyang, May 7 (KCNA) — A meeting and a photo exhibition took place here today under the sponsorship of the Central Committee of the Red Cross Society of the Democratic People's Republic of Korea to mark the World Red Cross and Red Crescent Day and the 77th anniversary of the League of Red Cross and Red Crescent Societies.

Addressing the meeting Yi Song-ho, acting chairman of the DPRK Red Cross Society Central Committee, spoke of the achievements made by the league and the DPRK Red Cross Society and the successful cooperation between them over the unprecedented flood damage in the DPRK last year. He called for further activating co-operation and outlined detailed tasks to be fulfilled by the DPRK Red Cross Society under the strategy for the development for the 1990s.

Speeches were made at the meeting by officials of central and local Red Cross bodies and voluntary service workers.

Displayed at the photo exhibition were pictures showing the history of the development of the league, health and public service activities of communities, preparations in advance to cope with natural disasters, prevention of natural calamities, rescue activities and environmental protection and other activities conducted by the league and the DPRK Red Cross Society.

Local Red Cross bodies sponsored art performances, lectures, tree-planting and other activities to celebrate the 77th anniversary of the league.

South Korea

ROK: U.S. Atmosphere Favorable for U.S.-DPRK Approach

*SK0705110896 Seoul CHUGAN CHOSON in Korean
9 May 96 p 26*

[Article by Washington-based correspondent Pak Tuisik: "Focus Highlights U.S.-North Korea Approach — U.S. Perception Is Changing"]

[FBIS Translated Text] At a recent luncheon meeting with this reporter, a relevant U.S. State Department official stated that "North Korea has indeed been changing over the past years." His impression of the North Korean officials he met was positive. The official explained that they showed the will for change, and that even though they showed some outdated ways of thinking, they also

displayed efforts to maintain their system in order to survive. He then pointed out that after having contacted both North and South Koreans, relevant U.S. officials have a feeling that both are indeed the same people.

The U.S. government once labeled North Korea, the most closed state in the world, as a "pariah." Thus, the attitude of the U.S. Government toward North Korea, which used to be treated as a group of semi-criminals, was not at all gentle. In contrast to North Korea, the ROK has not only attained economic success but is successfully and substantively carrying out its pro-democracy work. Thus, the two presented a sharp contrast to each other. This was the case when U.S. Government officials sat face to face with North Koreans owing to the "unavoidable situation" created by the nuclear problem. However, since then, the sentiment of U.S. Government officials has slowly changed.

Of course, the sentiment of United States toward North Korea has been focused on "crisis prevention." However, through frequent contacts with North Koreans, and while listening to their explanations, an atmosphere of understanding about their feelings has been created in the United States.

A U.S. State Department official stated that since the four-way talks were proposed, "the U.S. Government is making efforts to eliminate concerns and the sense of crisis North Korea might have over the proposal." This is indeed a drastic change from the past, when unilateral demands, forced implementation, and the like were the dominant pattern.

This is also related to the change in the overall foreign policy of the U.S. administration. The Clinton administration, which is the first Democratic Party-led government to come to office since the Carter Administration was voted out in 1980, is implementing a foreign policy based on its unique liberalist sense of values, reflecting efforts toward persuasion and mediation for peace prompted by a strong moral sense. Negotiations for peace in the Middle East, the site of the greatest dispute in the world, represents such efforts by the Democratic Party-led government. In particular, since serious damage was caused in North Korea by flooding last year, and since the crisis theory that "North Korea may collapse" was put forward, the will of the U.S. administration for negotiations with North Korea has been further strengthened.

Proceeding from the standpoint that the crisis caused by North Korea's rapid collapse would not be desirable, more than likely the State Department will emphatically pursue its unique policy of dialogue and persuasion.

The channel to North Korea within the U.S. Government is the East Asian and Pacific Affairs Bureau in the State Department, with Thomas Hubbard, deputy assistant secretary of state (who was recently appointed to ambassador to the Philippines) as its center. While Winston Lord, the highest responsible official, pays relatively more attention to the PRC and Japan, Hubbard supervises most North Korean-related matters. Since Ambassador Gallucci settled the first-stage nuclear negotiations with North Korea, the East Asian and Pacific Affairs Bureau handles overall North Korean issues, and Hubbard is the official contact point for high-ranking North Korean officials visiting the United States. In addition, Dick Christensen, who has visited North Korea more than five times, including one while accompanying former U.S. President Carter, and who has a fluent command of Korean, handles nearly all working-level matters related to North Korea. He is presently deputy chief of the Korea desk, and has recently been appointed as deputy chief of mission to the U.S. Embassy in the ROK. In addition, Ken Quinones in the White House [as published] and Bob Carlin in the Bureau of Intelligence and Research in the State Department are playing a certain role in the domain of North Korean affairs.

The representative U.S.-DPRK contact point is the hotline between Han Song-yol, councilor in the North Korean mission to the United Nations, and deputy of the Korea desk Christensen. The United States estimates direct and indirect contacts made between these two officials each day are the important channel not only for conveying each other's intentions, but also for understanding each other.

Another interesting phenomenon is that "North Korean fashion" [pukhan yuhæng] has begun to take place slowly in the U.S. Government and academic circles. Any place in dispute and facing difficulties is considered an area of new challenge for U.S. Government officials and scholars. Since the Soviet Union collapsed, many people directed the focus of their attention to the PRC. Meanwhile, the question of the Korean peninsula is also attracting the people's attention as a domain of new challenge. This will likely expand the domain of those experts who attached importance only to ROK issues, as well as "the group of experts in North Korean affairs" in the United States.

ROK: DPRK'S Yi Chong-hyok Holds News Conference on U.S. Visit

SK0705084996 Seoul YONHAP in English
0839 GMT 7 May 96

[FBIS Transcribed Text] Los Angeles, May 6 (YONHAP) — Yi Chong-hyok, a senior North Korean official, said Tuesday that his conversations with American

officials went well and that he is satisfied with the outcome of the talks.

Yi, who is vice chairman of the North's Korean Asia-Pacific Peace Committee, was attending a conference on U.S.-Korean relations at the University of Georgia, and met with officials from the State Department and Congress in Washington last week before arriving here Sunday on his way home.

In a press conference here with South Korean reporters, Yi said that he exchanged general views with American officials on bilateral relations and inter-Korean issues. No specific issues were discussed including the four-country talks on peace formula of the Korean peninsula or food assistance for North Korea, he added.

Yi complained about reports that he went to America to discuss the four-way talk proposal or ask food aid and said that they were groundless.

The specific substance of the proposed quadripartite talks have not yet been made clear, but the offer "becomes the object for examination," Yi said.

When asked about the possibility of the two Koreas co-hosting of the 2002 World Cup, Yi replied that even though the North has received no formal proposal on the matter, if a proposal were made, it would be considered.

This was Yi's second visit to the United States including the one he made last year.

"There were more Americans who wanted to meet me than last year," he said, indicating a positive shift toward the U.S. approach to the North.

After attending a reception hosted by pro-Pyongyang Korean residents groups in his honor Monday, Yi is scheduled to return home Tuesday via Narita Airport in Japan.

ROK Editorial Criticizes U.S. View of 'Progress' in Nuclear Issue

*SK0705021296 (Internet) The Digital Choson Ilbo
WWW in English 1220 GMT 6 May 96*

[Editorial: "Confusion in NK Nuclear Inspections"]

[FBIS Transcribed Text] The Clinton Administration, in a favorable report of the North Korean sealing operations of spent nuclear rods, stated that, "the Geneva Accords have been carried out successfully." In a conflicting report, however, the International Atomic Energy Agency [IAEA] released that inspections were not carried out correctly, citing North Korea's refusal to perform sample tests on the nuclear rods. Responses by the State Department were equivocal, stating, "If the

Geneva Accords were carried out completely, the past will be revealed."

Given the situation, we favor reports from the IAEA. From 8000 fuel rods, 25-30 kg of plutonium can be extracted, which can in turn be used to manufacture 4-5 nuclear bombs. Suspicions of the existence of a North Korean nuclear bomb cannot be diffused, however, if sealing operations are to continue without performing sample tests from the nuclear rods.

Effective nuclear inspections are only possible, however, when the host country is fully cooperative with the IAEA's requests. Suspicion free reports can only be guaranteed if, during inspections of nuclear facilities, tests can be applied comprehensively to any suspicious portions.

Regardless, the U.S. Government continues to insist that progress has been made towards solving the North Korean nuclear issue, in contrast with the IAEA reports. This is because the U.S. Government harbors the fear that the nuclear issue may ruin a good opportunity to establish relations between the U.S. and North Korea. As the U.S. presidential elections approach, perhaps it is perceived as advantageous to demonstrate a large change in U.S.-North Korea relations, including solving of the nuclear issue.

Though it may be in the best interests of U.S.-North Korea relations, and the Clinton Administration to presume the North Korean nuclear issue is solved when it really is not, we see things differently. In the case that the U.S. is concentrating on the effects North Korea has on its own domestic politics, it is inappropriate for us to follow their agenda blindly. Already, we are taking our own steps to solving the nuclear issue, having given North Korea \$4 billion worth of light water reactors. After all, we have our own policies and people to look after, too.

ROK: DPRK, U.S. Officials 'Yet' To Agree in MIA Talks

*SK0705004796 Seoul YONHAP in English
0037 GMT 7 May 96*

[FBIS Transcribed Text] New York, May 6 (YONHAP) — North Korean and U.S. officials met for the second day Monday to discuss repatriating the remains of American soldiers killed during the 1950-53 Korean war, but no agreement has been reached yet.

Neither side disclosed what was discussed or whether or not any progress has been made. They, however, said that they will resume negotiations Tuesday morning at the Grand Hyatt Hotel in downtown New York.

U.S. Spokesman Larry Greer said that when the two sides reach an agreement or the meeting is adjourned, they will then make a formal announcement to the press. Until that time, he added, they will not disclose the details about the negotiations.

A North Korean official participating in the negotiations also refused to discuss the negotiations, and only said, "Wait for a while."

The negotiations are scheduled to conclude Tuesday but Greer said that they could be extended if necessary.

James Wald, deputy assistant secretary of defense for prisoners of war and missing in action affairs, will lead the U.S. delegation while Kim Pyong-hong, international bureau director of the Foreign Ministry, will head the North Korean contingent.

Discussions are expected to focus on U.S. compensation for North Korea's exhumation of the remains of American soldiers and their repatriation, and the possibility of organizing a joint U.S.-North Korean team to search for the remains of soldiers still unaccounted for.

In the first round of negotiations in Hawaii last January, North Korea demanded that the United States pay 4 million dollars for the return in 1993-1994 of the remains of 162 American soldiers, but U.S. negotiators offered to pay 1 million dollars.

ROK: 6-7 May U.S.-ROK Telecom Talks in Seoul Previewed

SK0505034396 Seoul THE KOREA HERALD in English 5 May 96 p 8

[FBIS Transcribed Text] Amid increased efforts by U.S. telecom equipment makers to move into the Korean market, Korea and the United States are scheduled to hold bilateral telecom talks in Seoul for two days from tomorrow.

Monday's talks were called by the U.S. side, anxious to see Seoul open its wireless communications equipment market wider to U.S. and other foreign manufacturers.

Korea and the United States held regular bilateral telecom talks in Washington D.C. March 25 to April 2, which were designed to examine the implementation of the three bilateral ROUs (record of understanding) on the VAN (value added network) service, type-approval system for telecom equipment, and Korea Telecom's equipment procurement process.

But the talks ended in failure when the U.S. delegation unexpectedly made unrelated requests for more access by U.S. companies to Korea's wireless equipment market.

The Korean delegation flatly refused to take up the market-opening issue, suggesting that such issues be raised at a separate conference following the Korea-U.S. presidential summit in mid-April.

Aware that a huge new demand for telecom equipment will be created in the wake of the licensing of 30-odd telecom-service carriers in Korea in June, Washington may demand that Korea pressure its private telecommunications service companies to buy more foreign-made telecom equipment.

U.S. delegates may also request the Korean Government not to be involved in the determination of equipment spec and technology standards. In addition, they will reiterate their previous demand that the Seoul government allow new-born service carriers to freely purchase various kinds of equipment, and abstain from giving favors to the domestically made equipment.

But the Seoul government is likely to maintain its current position that equipment purchases by private service carriers cannot be the subject of government negotiations. It will also insist that liberalization of the satellite communications services are among the issues that should be handled at the World Trade Organization (WTO).

Considering the international practice that bars the government's interference in the private sector's purchase of equipment, the probable U.S. demand will be criticized as unethical, said a Ministry of Information and Communication (MIC) official.

The U.S. stance is seen as an effort to send a warning signal to Seoul prior to the liberalization of the local telecom service market, he said. Washington is also attempting to help U.S. equipment makers gain increased access to the Korean market prior to the WTO-imposed market liberalization in 1998.

Christina Rund, deputy chief of the United States Trade Representative (USTR), will head the 8-man U.S. delegation, while the Korean delegation will be led by Kang Sang-hun, an MIC bureau chief.

ROK: U.S. Said Applying 'Indiscriminate' Trade Pressure on ROK

SK0605105496 Seoul KYONGHYANG SINMUN in Korean 3 May 96 p 1

[Report by Yi Pyong-kwang]

[FBIS Translated Text] The United States has been applying indiscriminate trade pressure on the ROK in five different areas—intellectual property rights, the shelf-life of foodstuffs, automobiles, communications, and the quarantine of agricultural produce—even though

the ROK and the United States had already reached an agreement in automobiles, communications, and the quarantine of agricultural produce in the trade talks last year.

A pertinent ROK Government official said on 2 May that "the Office of the U.S. Trade Representative has sent a letter to the ROK, indiscriminately asking the ROK to improve its trading system." The official added: "The office has put pressure on our country, saying that if the ROK does not accommodate their request, it will either refer the matter to the World Trade Organization [WTO] to settle the dispute or take retaliatory measures under Section 301 of the U.S. Trade Act."

At the ROK-U.S. agricultural talks held in Washington late last month, the United States pointed out that the American exports of agricultural products suffered a hard blow because the incubator inspection, among other Korean agricultural quarantine systems, takes too much time. And, the United States recently told the ROK that it would refer the matter to WTO to settle the disputes unless the ROK abolishes the quarantine system in question.

This inspection is designed to analyze microorganisms which come to life under normal temperatures while remaining dormant in cold storage. Many countries have similar quarantine systems.

In particular, the Office of the U.S. Trade Representative decided to retain the ROK on the priority watch list in its annual evaluation of intellectual property rights on 30 April and indicated that it would call for bilateral talks. In connection with this, the United States sent a letter to the ROK Government, requesting that American intellectual rights be effective retroactively to 50 years ago, starting this year. This is far more stringent than the Bern International Convention, which stipulates that a country shall protect intellectual property rights that come to life after it enacts an intellectual property rights law.

Last year, the Office of the U.S. Trade Representative asked the ROK Government to abolish a shelf-life system for foodstuffs and obtained the ROK's commitment to the improvement of the system. Furthermore, recently, it calls for the abolishment of the "self-regulatory reporting system." Under this system, producers and manufacturers are required to report the ingredients and safety of foodstuffs to the Ministry of Health and Welfare.

Sales of U.S.-made automobiles and communications equipment remain low in the ROK despite the ROK Government's strenuous efforts to improve the sales systems. As a result, the United States has now asked

the ROK Government to completely abolish the progressive tax rate system and "improve people's popular perception of purchasing foreign-made goods."

A concerned government official said: "The United States has been applying such trade pressure on the ROK because the U.S. administration has been conscious of its businesses and Congress with the U.S. presidential elections and the nomination of a successor to former U.S. Trade Representative Mickey Kantor, who has been appointed as secretary of commerce, are around the corner."

Related government ministries, including the Foreign Ministry and the Ministry of Trade, Industry, and Energy, have reacted to this, saying: "The ROK and the United States have reached agreement last year on most of the areas, in which the United States is making new requests. Therefore, it is difficult for us to accommodate them, as we should safeguard our sovereignty in trade."

ROK: Japan, U.S., Canada Criticize Barriers to Japanese Imports

*SK0505024096 Seoul THE KOREA HERALD
in English 5 May 96 p 1*

[FBIS Transcribed Text] Korea's import source diversification away from Japan has increasingly come under attack as an unfair practice among its major trade partners.

Besides Japan, the attackers include the United States and Canada, which use Japanese components for exporting finished goods, said officials at the Ministry of Trade, Industry and Energy.

At the OECD's Trade Committee meeting Friday, convened to screen Korea's qualification to join the 26-member club of industrial countries, these countries strongly called for Korea to make clear exactly when Seoul would do away with the system, the officials said.

The Korean delegation, led by Han Tok-su, assistant minister for trade and commerce, only explained that the Seoul government has been rapidly reducing the items subject to the import diversification scheme since last year, they said.

Korea, which has a bilateral trade deficit of more than \$10 billion with Japan, plans to reduce the number of affected items to 128 by 1998 from the 256 in 1994.

The Trade Committee is one of the major committees Korea has to pass through to enter the Paris-based Organization for Economic Cooperation and Development.

Regarding Korea's fulfillment of the Uruguay Round of multilateral trade agreements, the officials reiterated

Seoul's position to remain a developing country in such areas as agriculture and global weather convention, the officials said based on a dispatch from the delegation.

In other areas, however, the officials made it clear that Korea would "exert its best efforts within its capacity" to fulfill the obligation as a member of the OECD.

The existing member countries welcomed Korea's entry to the organization as a country that attained the status of the world's 12 largest trading power through free trade at the meeting, they said.

They also extensively discussed matters such as Korea's role in the OECD after joining it, Seoul's trade protectionism, as well as whether Korea will remain classified as a developing nation in some areas.

The committee will report the discussion at the meeting to the Secretariat, while deciding to continue the consultation for matters that have not been sufficiently dealt with for lack of time, the officials said.

ROK: Bullfrogs Introduced From U.S. Damaging ROK Ecology

SK0505023296 (Internet) The Chungang Ilbo WWW in English 5 May 96

[FBIS Transcribed Text] It was reported that the habitats of the so-called "bullfrogs" which are indigenous to the United States and which are more than twice the size of Korean leopard frogs, are spreading to the central part of South Korea and wreaking havoc on region's ecological food chain. A research team led by Doctor Yi U-sin at the Forestry Research Institute announced these results of a 3-year (1993-1995) research project on the distribution and habitats of the U.S.-originated "bullfrogs."

ROK: Official Denies Reports of 'Appeasement Policy' for DPRK

SK0705022896 Seoul YONHAP in English 0213 GMT 7 May 96

[FBIS Transcribed Text] Seoul, May 7 (YONHAP) — South Korea will not adopt an appeasement policy to coax North Korea to the negotiating table for four-party peace talks until Pyongyang first accepts the proposal made by Seoul and Washington last month, a senior Foreign Ministry official said Tuesday.

"We've proposed unconditional four-way talks involving South and North Korea, the United States and China," Director General Yu Myong-hwan of the ministry's American Affairs Bureau said, adding that economic assistance for North Korea or any other issue could be put on the table once the North accepts the the proposal for talks.

Yu denied reports that South Korea is preparing to offer "carrots" to entice the North to participate in the quadrilateral peace talks on the Korean peninsula, and said, "I don't think it's a situation in which our offer of carrots will lead the North to respond to the four-party talks proposal or otherwise the North will not react.

"My experience is that we've always made concessions when there was an impasse in our relations with North Korea but has the North ever responded to our offers which it thought unfeasible?" He asked.

Yu was dismissing as "unrealistic as well as impractical" the theory that any carrots will surely help the North come out for the four-way peace talks.

For Director General Yu, at least, the current inter-Korean relations involves a kind of psychological warfare. "We don't have to show any sign of irritation by taking any initiatives in advance of those to be taken by the north."

Any such move will only aggravate the situation by "spoiling their habit," said Yu.

In this connection, Washington has never contacted Seoul on further easing economic sanctions imposed on North Korea by the United States, Yu said.

Yu said that the North seems to lack accurate information on the United States. "North Korea seems to have the illusion that the United States can do everything, including provide economic and food aid to the North, if they are only willing to do so."

The United States provided only 2 million dollars in food aid to the North last year and the Clinton administration is still being criticized by the congress for the assistance, he pointed out.

The U.S. Government also failed to secure enough money to provide the North with heavy oil this year as required by the Geneva nuclear agreement.

"U.S. Deputy Assistant Secretary of State Thomas Hubbard recently confirmed in meetings with Pyongyang officials that the U.S. Government cannot afford any further food aid to the North," he said, adding that the U.S. position is that the North can get economic and food aid from either its archrival South Korea or possibly from Japan.

South Korea was the second largest food provider for the North last year with 150,000 tons of rice which cost over 150 million dollars. Japan provided 300,000 tons of rice.

The total cost of international food aid to the North last year was about 20 million dollars.

ROK: Kim Chong-il's Control Over Military Analyzed

SK0605083696 Seoul VANTAGE POINT in English Apr 96 Vol. XIX No. 4 p 1-8

[Unattributed article: "Does Kim Chong-il Really Have Control Over the Military?" — last two paragraphs are published in a box that separates it from the rest of the text]

[FBIS Transcribed Text]

Contradictory Developments

In an apparent move to demonstrate his control over North Korea, Kim Il-song's heir and top army commander, Kim Chong-il, issued a special order in November 1994, four months after the death of his father, "Great Suryong (Leader) Kim Il-song." Under the Order 0051 of the Supreme Commander of the People's Army, the junior Kim instructed the Administration Council, which is under the control of the Central People's Committee chaired by the state president, as well as the Ministry of People's Armed Forces, to complete the construction of a bridge and a tunnel within 11 months.

But when two aged military leaders, Choe Kwang and Yi Ul-sol, were promoted to marshals last October, some Pyongyang watchers in Seoul were suspicious of Kim Chong-il's status as "another Great Leader" in North Korea. Kim, who had been groomed to be the undisputable successor to his father for more than 20 years until senior Kim's death in July 1994, failed to win a higher military rank despite their promotion to the same rank given him three years and a half earlier, in April 1992. "Great Leader" Kim Il-song was decorated with the highest military title of "grand marshal" one week before his son, "Dear Leader" Kim Chong-il, and his most loyal supporter, O Chin-u, became marshals. Pyongyang observers also point to Kim's absence from a major ceremony to mark the founding anniversary of the People's Army in April last year and the insignificant role he played in the main function to celebrate the 50th birthday anniversary of the Workers' Party last October, highlighted by a military parade.

Despite their suspicion and the long delay in his official succession to power, however, North Korea has continued to promote the personality cult of the heir apparent, calling him "another Great Leader" of the Workers' Party and the North Korean people and declaring his birthday as the "most festive national holiday." Also, North Korean leaders and the state-controlled North Korean media insist that Kim is "in charge of all programs for socialist construction and revolution" in North Korea.

Because of these and other contradictory factors concerning junior Kim's leadership position, few North Korea watchers in Seoul are confident in answering the same question raised weeks after senior Kim's death: "Is the successor-designate really in charge?" Just three months away from the date marking the end of the traditional two-year mourning period for Kim Il-song, many Pyongyang watchers here are still reluctant to believe the rumors that a ceremony for Kim's official succession to power is scheduled for sometime after this coming July 8. The junior Kim has yet to assume the three top posts of the North Korean regime, namely, the offices of general secretary of the Workers' Party, state president and chairman of the Party Central Military Committee, which is Pyongyang's command post as long as military affairs are concerned.

Dominant Military Influence

Evident is the dominance of military influence in North Korea these days. The power of the military has been ever growing in the Communist regime since senior Kim's death while the junior Kim has ruled North Korea in the capacity of Supreme Commander of the People's Army. Military leaders, who had stayed in the backyard under senior Kim's rule, began to play in the front yard in October 1994, barely three months after his death. Some of them have since appeared on the lists of VIPs attending important functions—right below associate members of the Politburo of the Workers' Party and above the secretaries of the Party Central Committee, who are in charge of day-to-day operations of the ruling Workers' Party. Among them are Marshal Yi (then vice marshal) and other vice marshals, such as Paek Hak-nim, Kim Kwang-chin and Kim Ik-hyon. Cho Myong-nok, Kim Yong-chun and Yi Ha-il joined the VIP lists after their promotion to vice marshals a year later. Also, Marshal Choe Kwang's ranking in the Pyongyang hierarchy rose to sixth last October from seventh, while the ranking of Premier Kang Song-san and Foreign Minister Kim Yong-nam, who have no military experience, were demoted to fifth and seventh, respectively, from second and sixth.

North Korea, which is ruled by the Workers' Party as decreed by the Party charter and the constitution of the Democratic People's Republic of Korea (DPRK), realigned only the military leadership and partially promoted only a score of generals on the eve of the "historic" 50th founding anniversary of the Party. In addition to his promotion to marshal along with Yi Ul-sol, who has been chief of the Secret Service since 1982, Choe Kwang was named Minister of People's Armed Forces to succeed Marshal O Chin-u, who died seven months earlier. Two of the three generals promoted to

vice marshals were also assigned to new posts: Cho Myong-nok was appointed head of the General Political Bureau and Kim Yong-chun, chief of the General Staff of the People's Army, the office held by Choe since 1988. And the Ministry of People's Armed Forces created an office, its first vice minister, which was assumed by Vice Marshal Kim Kwang-chin. Among those beneficiaries on the birthday of the Party were four colonel (three-star) generals, who were promoted to full generals.

"The People's Army is the Party's Army and the Suryong's Army," declared an editorial carried Jan. 1 last year jointly by the organs of the Workers' Party, the People's Army and the League of Socialist Working Youth. But in self-contradiction, the editorial indicated the military is on a par with the Party. It said, "It is Supreme Commander Kim Chong-il's unswerving will to attain our revolutionary tasks depending on the great powers derived from perfect harmony between the Party and the military," indicating some discord between them.

Disputes in the Communist Pyongyang regime seem not to be limited to relations between the Party and the military but between old and younger generations, as some North Korea watchers here believe. Kim Chong-il presented a paper last December under the title, "Respect for Senior Revolutionaries Is a Virtue Required of All Revolutionaries," an indication of conflicts between old and younger leaders of the Party, the government and the military. All of a sudden, the disputes surfaced after the abrupt death of the paramount North Korean dictator, Kim Il-song. The discord, combined with extremely adverse situation, gave rise to the persistent socio-political unrest in the North, an analyst in Seoul says.

Kim's Patrons Have Gone Away

Those in their 70s or older are still occupying most of important offices in the Party, the government and the military, a factor that may make the successor-designate in his mid-50s, whose patronizing father has gone away, hard to fully command the Pyongyang regime. He also lost his strong supporter, O Chin-u, who backed up the dynastic succession scheme as chief of the general staff of the army, minister of people's armed forces, or head of the General Political Bureau, which closely monitors the political behavior of all military personnel, especially senior officers. Proving O's role for him, Kim Chong-il was at O's deathbed, declared a national funeral for O and attended the funeral service for O held at a national cemetery on Mt. Taesong.

Noteworthy is a remarkable change in rankings of some top military leaders among themselves on the

Pyongyang's power ladder after O's death. Marshal Yi Ul-sol, who ranked 73rd on the funeral committee for O, has since been higher on VIP lists than Yi Ha-il, Kim Ik-hyon and Paek Hak-nim, who ranked 40th, 41st and 50th, respectively (See Table 1). And two of the three fresh vice marshals—Cho M.R., and Kim Y.C.—are also above other vice marshals on VIP lists in recent months. This development may indicate a power struggle in the military, or some troubles facing Kim Chong-il, who has commanded the army since he became Supreme Commander in December 1991.

In an apparent attempt to cement junior Kim's control over the military, Kim Il-song decorated him with the military rank of marshal in less than four months, in April 1992, and named him a year later to head the National Defense Commission, whose status was elevated in such a way as to be on a par with the Central People's Committee chaired by the state president, under a constitutional amendment in April 1992.

Rumors, however, had it that Kim's position as heir apparent weakened at the end of 1993 when the third seven-year economic plan (1987-93) ended in failure. Because of his son's inadequacies, some North Korea watchers believe, Kim Il-song reinstated his younger brother, Kim Yong-chu, as member of the Politburo and appointed him vice president in December 1993. Kim Yong-chu had been absent from the public view since April 1975, a year after Kim Chong-il was designated as successor to his father at the eighth plenary session of the fifth-term Central Committee of the Workers' Party. Keeping his son temporarily from economic programs and probably other critical affairs, the senior Kim himself again took initiatives in all important programs, including that for rescuing the sagging North Korean economy, according to the rumors. Kim died of a heart attack two days after he presided over a meeting of senior economic officials, according to the North Korean account.

But a majority of North Korea watchers in Seoul are reluctant to agree to the opinion that Kim Chong-il is merely a symbolic leader of the Pyongyang regime now dominated by the military; there is little room for military leaders to revolt against the heir apparent because of Kim's power base in the military built since the mid-1970s and the watertight political control over them. Senior officers' behaviors are closely monitored by political officers dispatched by the Party even to all companies, in addition to the formidable secret police.

Some of these Pyongyang watchers, including Prof. Ho Nam-sung of Korean National Defense University in Seoul, believe Kim enjoys a considerable influence over the military and the North Korean regime, although he

is not in full charge. He argues Kim is probably sharing power with military leaders and Party cadres, with his portion of about 30 percent.

Despite escalating praise and continuing personality cult of "Great Yongdoja (Leader)" Kim Chong-il, North Korea is still repeating the two-year-old "call for the unity around the Party Central Committee with Kim as the center," which some analysts interpret as a code word for collective leadership. They believe the Party Central Military Committee, instead of the successor-designate, has ruled North Korea since senior Kim's death. Five military leaders who joined the committee early last year is most likely to reinforce its ruling functions, they maintain. The five are Kim Kwang-chin, Yi Ha-il, Kim Myong-kuk, Pak Ki-so and Kim Pong-yul, who died in a few months later. The new chief of the general staff of the People's Army, Vice Marshal Kim Yong-chun, might also win membership in the committee in October, or so, some analysts speculated.

Collective Leadership?

Suspicion on Kim Chong-il's leadership position emerged when he was absent from the public view as many as 87 days after he attended the funeral for his father, during which he displayed a haggard face. Rumors then began to spread that he has been ailing from diabetes, cirrhosis of the liver, a disorder of the brain, kidney troubles, paralysis, or a combination of some of these diseases. He failed to deliver New Year messages in 1995 and this year, and he did not speak even one word during the main ceremony for the 50th

founding anniversary of the Party, while Marshal Choe Kwang was acting as the star player.

North Korea has declared the question of succession to power had been solved long before under the "wise leadership of Great Leader" Kim Il-song. But Pyongyang is still urging North Koreans to follow his teachings on the dynastic power succession, indicating that the junior Kim has yet to stand on his own feet. Also, slogans for the senior Kim are more popular than those for the junior Kim, giving the impression that North Korea is still ruled under the shadow of the deceased Kim, whose embalmed body is laid in a structure in Pyongyang which had been used as his presidential office while alive.

Functions to be held on the coming birthday of the People's Army may expose a clearer picture conducive to determining whether or not the top army commander, Kim Chong-il, is fully in command of the military. With no ability to control the army, the junior can hardly succeed the unchallengeable power enjoyed by his father, a North Korea watcher here says.

Some analysts in Seoul say Pyongyang's current behavior fanning a war mood may mirror junior Kim's unstable leadership position. In a statement issued March 29, Vice Marshal Kim Kwang-chin said, "The outbreak of a war on the Korean peninsula is a matter of a time." His statement came nine days after Supreme Commander Kim made an inspection tour of an army unit in the central front-line area, accompanied by a military operations team of the Supreme Command of the People's Army in addition to a group of generals.

Ranking	Name	Age	Rank & Title
1 (1)	Kim Chong-il	54	Marshal, PCMC Member, NDC Chairman, Supreme Commander of People's Army
2 (7)	Choe Kwang	78	Marshal, PCMC Member, Vice Chairman of NDC, Minister of People's Armed Forces (PAF)
3 (12)	Kim Chol-man	78	General, NDC Member
4 (73)	Yi Ul-sol	75	Marshal, Member of PCMC & NDC, Chief of Secret Service
5 (86)	Cho Myong-nok	72	Vice Marshal, Head of General Political Bureau of PAF Ministry
6 (85)	Kim Yong-chun	64	Vice Marshal, Chief of General Staff of People's Army
7 (75)	Kim Kwang-chun	78	Vice Marshal, Member of PCMC & NDC, First Vice Minister of PAF
8 (50)	Pak Hak-nim	78	Vice Marshal, PCMC Member, Minister of Public Security

Ranking	Name	Age	Rank & Title
9 (40)	Yi Ha-il	60	Vice Marshal, Member of PCMC & NDC, Head of Military Department of CCWP
10 (41)	Kim Ik-hyon	?	Vice Marshal, PCMC Member, Head of Reserve Forces Department of CCWP

Chairman:	Vacant
Members:	Kim Chong-il, Choe Kwang, Yi Ul-sol, Cho Myong-nok, Kim Kwang-chin, Pak Hak-nam, Yi Ha-il, Kim Ik-hyon, Yi Tu-ik, O Yong-pang, Kim Myong-kuk, Kim Il-chol, Pak Ki-so, Yi Pong-won
Supreme Commander:	Kim Chong-il
Chairman:	Kim Chong-il
Vice Chairman:	Choe Kwang
Members:	Chon Pyong-ho, Kim Chol-man, Yi Ul-sol, Kim Kwang-chin, Yi Ha-il

'Blessed North Korean People'

Are the hungry North Koreans a blessed people? In the eyes of South Koreans, they are obviously not. But the North Korean media continued to claim that North Koreans enjoy various blessings generation after generation, including "the blessings of Great Leader (Kim Chong-il) and the blessings of Outstanding General (Kim Chong-il)."

"A weak country with an outstanding general can become a strong one, but a big country with no prominent general will collapse," said Radio Pyongyang April 2. But indications are that Kim Chong-il, called "North Korea's another great leader," has yet to show any signs that he will soon assume power formally.

ROK: Kim Chong-il's Hold on Power in DPRK Analyzed

SK0605101996 Seoul VANTAGE POINT in English Apr 96 Vol. XIX No. 4 p 9-11

[Interview with Ho Nam-sung, teacher of military history at the Korean National Defense University, head of the North Korea Division of the Research Institute on National Security Affairs, and an adviser to the Ministry of National Defense and the Agency for National Security Planning, with unidentified correspondent; place and date of interview not given: "Kim Chong-il Is Not

in Complete Charge And Perhaps Holds 30 Percent of Power"]

[FBIS Transcribed Text] Question: Rumors had it that a group of senior North Korean army officers have attempted a coup d'etat in recent months. Do you believe these rumors?

Answer: I doubt if they can make such an attempt because their behavior is always monitored closely. I believe a dissident move in the army, if any, was most likely no more than any act of disobedience or an expression of a desire for reforms. Actually, in the 1970s and 1980s, there were a few such moves by North Korean officers trained at the Frunze Military Academy in the Soviet Union. But they asked merely for an institutional improvement suitable to a Communist country. A democratic way of thinking is unlikely in a highly closed society like North Korea.

[Question] Do you believe Kim Chong-il, son of the deceased North Korean dictator Kim Il-song and heir apparent, is really in charge?

[Answer] No, I do not believe he is fully in charge. North Korea seems to be under a collective leadership system comprising old first-generation revolutionaries, younger elite generals and leading technocrats in addition to Kim Chong-il. The junior Kim can be compared to a big stockholder in a company, with his share of about 30 percent as the eldest son of its founder. The influence of the old leaders seem very strong. The aged leaders may naturally consider themselves to be more qualified than others to take over Kim Il-song's achievements because they helped him establish North Korea and carry out a Communist revolution there. In the capacity of the junior Kim's tutelars in this emergency situation, the senior leaders, especially aged veteran generals, can reinforce their grip on power while delaying his formal succession to power.

Military influence has been growing as evidenced by the main function for the 50th founding anniversary of the Workers' Party last October, which was dominated by a spectacular military parade. The keynote speaker there was not delivered by one of the most powerful Party leaders, such as Yi Chong-ok and Pak Song-chol, but by a military leader, Choe Kwang, who was appointed people's armed forces minister on the eve of the festive

day. That may indicate the military's control over the Party, instead of the traditional dominance of the Party over the military.

Let us remember the fact that over 1 million North Koreans are in military service and 6.5 million others are members of reserve forces. This means one third of its population is under military control.

[Question] Morale in North Korean military camps has been sinking reportedly in recent years because of toughened military drills amid pervading food shortages and persisting sociopolitical unrest. How do you assess the combat readiness and capability of the North Korean army?

[Answer] Of course, the overall adverse situation in North Korea will apparently discourage the servicemen. But those in the service are among the privileged and are given a better ration of food and other daily necessities than laborers and farmers. Their bitter feelings against the "U.S. imperialists and their South Korean puppets" will help North Korean soldiers tolerate their adverse situation.

We will be mistaken if we underestimate the capabilities of the North Korean army. The country has been brisk in building up military power for more than 30 years under the principle of chuche (self-reliance). Pyongyang has poured the lion's share of its budget into programs in that direction. North Korea is armed with twice as many weapons as South Korea and with troops 1.6 times as many as the South. The North also has stockpiles of formidable chemical and biological weapons.

[Question] How can North Korea, whose economy is on the brink of bankruptcy, maintain such a huge military force?

[Answer] North Korea has operated a "second economy" for the military sector, separate from the "first economy," which is for the private sector, since 1966 under a strategy for the simultaneous development of economic and military power. The second economy has enjoyed priority in various aspects, including the supply of raw materials. For a self-supporting military economy, North Korea has run many enterprises and other business concerns, such as mines, farms, trading companies, banks and munitions plants, under the control of the People's Armed Forces Ministry. Overseas shipments of weapons are estimated to represent 10 to 25 percent of its total exports and the second economy accounts for one-third of the North Korean economy.

[Question] Many North Korea watchers in Seoul and elsewhere expected a generational transition in the Pyongyang hierarchy following the death of Marshal O Chin-u in February last year. But most key military

posts are still held by those in their 70s. What are the factors behind the generation-shift delay? And which military leaders are the most promising?

[Answer] As long as the aged first-generation revolutionaries have strong influence in the probable collective leadership system, we can hardly expect a rapid power transfer to the younger generations. Kim Chong-il, who still needs the aged leaders' backing, may believe a smooth generation shift will come as time passes. Kim needs the old revolutionaries also for their role as counterparts of the aged Chinese leaders.

We need to keep a close eye on Vice Marshal Kim Kwang-chin, the first vice people's armed forces minister. Kim, 69, is the youngest among first-generation leaders in their 70s and 80s. He can play a key role in connecting first-generation leaders with younger leaders. Vice Marshal Kim Yong-chun, 64, chief of the general staff of the People's Army, is also promising as an aide to Kim Chong-il, the supreme army commander. Another military leader drawing attention is Chon Pyong-ho, who is a member of both the two key military governing bodies-the Party Central Military Committee and the National Defense Commission, although he is a civilian. Generals who have accompanied Kim Chong-il during his visit to army units in recent months, such as Kim Myong-kuk and Pak Chae-kyong, may be the leaders of the second-generation group.

[Question] What is your forecast of Pyongyang's military ties with its traditional allies, Beijing and Moscow?

[Answer] The military alliance between Pyongyang and Moscow has been virtually dismantled. But North Korea is not in a position to turn away from Russia because its weapons supply system has been largely dependent on Moscow. Pyongyang is expected to boost military diplomacy with China, its last remaining ally, for security. But Beijing is unlikely to give substantial military assistance to North Korea.

ROK Article Notes Kim Chong-il's Increased Official Activities

SK0705011596 (Internet) The Digital Choson Ilbo WWW in English 1226 GMT 6 May 96

[FBIS Transcribed Text] North Korean Kim Chong-il has been taking part in more official activities this year, in spite of the delay to his expected ascension to the Presidency this July. Over the last four months, Kim has participated in 17 official activities, three times more than the same period last year. Among the 17, 12 are military related, with 4 others related to student and youth events, and the last an inspection of a tourist site. Military activities include six inspections of military

units, three attendances at military performances, and three meetings with military sports groups or visitations to training sites.

Kim's succession to the presidency, originally expected this July, is now expected to take place after July of 1997, according to Professor Okonogi of Keio University in Japan, and Julie Moon, an American journalist who visited North Korea recently.

ROK Government Considers Creating 'Peace City' in DMZ

*SK0505060396 Seoul YONHAP in English
0149 GMT 5 May 96*

[FBIS Transcribed Text] Seoul, May 5 (YONHAP) — The government plans to create a "peace city" in the Demilitarized Zone [DMZ] near Chorwon or Changdan in preparation for full-fledged inter-Korean exchanges in the future.

A government official said Sunday a concrete "peace city" master plan is being devised through consultations with relevant ministries like the National Unification, Finance-Economy, Defense and Construction-Transportation Ministries.

Disclosing that a feasibility survey team already visited candidate areas in May last year, the official said the Construction-Transportation Ministry is working on a blueprint in linkage with a plan being mapped out by the National Unification Ministry to use the DMZ area for peaceful purposes.

The "peace city" to be set up will include facilities for inter-Korean personnel and material exchanges so that the "peace city" could be used as a South-North exchange center pending national unification.

Other facilities the projected city will have include those for joint South-North environmental, ecological and language studies, the official said.

ROK: DPRK Forcibly Relocating Pyongyang Citizens

SK0705005796 (Internet) The Chungang Ilbo WWW in English 7 May 96

[FBIS Transcribed Text] A South Korean government source stated Monday that North Korea is currently forcibly relocating Pyongyang citizens who are classified as possessing unsound ideologies (anti-communism), to rural areas under a plan to disperse about 1 million of the 3.5 million Pyongyang citizens to other areas by the year 2020.

The source, quoting a Korean residing in the United States who had recently visited Pyongyang, stated that

beginning from last spring, "North Korea has been forcibly relocating from 5 to 10 Pyongyang households a day under the pretext of 'preserving political purity'." The source also explained that "mostly, it is the people classified as possessing unsound ideology and those originally from rural areas who are being deported to the Najin-Sonbong special economic zone. The number of Pyongyang citizens seeking divorces in order to avoid forcible banishment, and harboring anti-government feelings has been increased in the recent past."

ROK: DPRK's Kim Chong-u To Attend Seminar in Beijing 7-8 May

*SK0705011096 Seoul YONHAP in English
0058 GMT 7 May 96*

[FBIS Transcribed Text] Beijing, May 7 (YONHAP) — Kim Chong-u, a senior North Korean economic official, is going to arrive in Beijing again Tuesday to attend an international symposium here.

Chairman of the North's Committee for the Promotion of External Economic Cooperation and concurrent vice chairman of the External Economy Commission, Kim is to arrive in Beijing at 10:30 AM Tuesday aboard an Air Koryo jetliner.

He is leading a six-member delegation to the two-day symposium opening here Tuesday under the theme: "Economic Development of Regions Along New Asia-Europe Continental Bridge."

Approximately 190 officials from 35 countries and international organizations are taking part in the symposium, according to organizers.

The other five members of the Pyongyang delegation include an official from the Transportation Ministry and two officials from both the Committee for the Promotion of External Economic Cooperation and the Korean International Trade Promotion Committee.

The five or six member Seoul delegation will be headed by Kim Kwang-tong, economic councilor at the South Korean Embassy to China.

Kim Chong-u attended the conference of the Tuman Consultative Commission, which is responsible for coordinating the UNDP-sponsored Tumen River Area Development Program, that was held in Beijing April 18-19.

Kim's second visit here in recent months has given rise to speculation that inter-Korean contacts might be made in connection with the proposed four-country talks for peace on the Korean peninsula and bilateral economic cooperation.

ROK: Improvement in Human Rights in North Korea Urged

SK0705015596 (Internet) The Digital Choson Ilbo WWW in English 1221 GMT 6 May 96

[Editorial: "Citizens Campaign for NK Human Rights"]

[FBIS Transcribed Text] With the recent creation of the "Citizens Union for Life and Human Rights of Our North Korean Brethren," we recall human rights movements of the 1970's which rebelled against authoritarian rule in our own country. If the new union is to apply tactics used by groups like Amnesty International we must first take note of two important factors. First, should the group succeed in its mission, they will contribute to the North Korean human rights issue, bringing it to the forefront of our own society's concerns. Secondly, the group can also raise its own status as moral standard bearers in the process.

As of yet, we have not taken the issue of North Korean human rights very seriously because of the urgency of our own situation. There are "other reasons" cited, but among these, there are some of dubious character. For example, some people maintain that there are no human rights violations in North Korea, rather, the government is simply punishing reactionaries. This argument weakens, however, in light of measures taken, such as forcing those in opposition to the government to mine for gold for the rest of their lives in the name of perfecting socialism. We simply cannot close our eyes to these kinds of deeds.

Of course, there are times when it is not appropriate for the South Korean government to openly criticize North Korea on its human rights violations, for fear of aggravating the political relationship between the two countries. However, non-governmental organizations are not bound by the same concerns. As citizens, they can freely discuss the suppression North Korean human rights, and ways to improve the situation.

At present, human rights in North Korea are at their worst possible state, according to the testimonies of recent visitors. If we remain passive in the face of such harsh realities, we are hypocrites, and inhumane. We must all unite, whether homemaker, office worker, religious leader, student, teacher, technician, lawyer, doctor, or artist. Everyone must come together and campaign for the improvement of human rights conditions for our North Korean brethren.

ROK: Russia Said To Cease Train Service to DPRK Over Unpaid Fees

SK0705005996 (Internet) The Digital Choson Ilbo WWW in English 1229 GMT 6 May 96

[FBIS Transcribed Text] The Russian government ceased operation of its railway service to North Korea in April in response to North Korea's failure to pay cargo transportation fees, it was discovered Monday. A high South Korean government official said the interruption of service was implemented when North Korea did not pay its \$30 million in fees, despite repeated warnings. Trains between the two countries ran twice a week.

In another report, a diplomatic conflict has also arisen between North Korea and China over 2000 freight cars North Korea has yet to return to China. The same Chinese official giving the report suggested that the proposed Pan-Asia Railroad exclude North Korea, with terminal stations in Russia and China.

ROK: KEDO Survey Team Returns From Sinpo Infrastructure Survey

SK0705065096 Seoul YONHAP in English 0633 GMT 7 May 96

[FBIS Transcribed Text] Seoul, May 7 (YONHAP) — The fifth survey team of the Korean Peninsula Energy Development Organization (KEDO) returned home Tuesday from Sinpo on North Korea's east coast, where it conducted an infrastructure survey April 28-May 6 for the light-water reactor project.

In addition to examining railroad, road, communications, power and water facilities near the construction site, the team assessed the need for basic facilities like temporary billets for construction staff, sand and gravel, and makeshift power sources.

A stable power supply has emerged as one of the issues that must be dealt with before the reactor project is completely underway, an official from the office of planning for light-water reactor project said.

"Taking locally-made generators to the construction site is being studied," said the official.

The Sinpo area has 60hz, 110v and 220v electricity as does the South. But supply of electricity in the North falls far short of what will be required for the reactor project. Another concern is that the severe fluctuations in electrical current and voltage will hamper the operation of precision machinery.

"It has been confirmed, however, that North Korea made considerable preparations for the reactor project, including the relocation of a sizable number of residents and

the installation of fiber-optic cable between Pyongyang and Sinpo," the source added.

ROK: DPRK's Yi Song-tae Likely To Attend Economic Summit

SK0405112996 Seoul KBS-1 Radio Network in Korean 1015 GMT 4 May 96

[By reporter Song Chong-mun]

[FBIS Translated Text] The World Economic Council Secretariat informed the ROK Government on 4 May that it is very likely that the minister-level official Yi Song-tae, chairman of North Korea's External Economic Affairs Commission, will attend the Europe-East Asia economic summit to be held in Hong Kong from 18 to 20 November.

In this regard, a government official stated: North Korea will attend the Europe-East Asia summit meeting, after attending for the first time in history an international economic meeting held in Davos, Switzerland early this year. It appears that in the meeting, North Korea will actively encourage European and Asian investments in North Korea, so as to alleviate its economic difficulties.

The Hong Kong meeting will be attended by representatives of the government as well as business and academic circles of each country. In addition to economic issues, they will also discuss political and environmental issues. The sponsor of the meeting has requested that Prime Minister Yi Su-song and other important ROK political and economic figures also participate in the meeting.

A government official said: As high-level political and economic officials of South and North Korea will meet there, it is expected that during the meeting, they will discuss South-North economic cooperation, such as the inducement of investments in the Najin-Sonbong development project.

ROK's North Korean Business Policy Viewed Positively

SK0705062896 Seoul HANGYORE SINMUN in Korean 5 May 96 p 6

[Article by reporter Kim Tae-ho]

[FBIS Summary] The ROK Government's announcement on 27 April approving economic cooperation with North Korea by Samsung Electronics, Daewoo Electronics, and Taechang Company Ltd. has raised our expectations for invigorated North-South economic cooperation which shrank following the failed Beijing rice talks.

Of course, while some public opinion has been critical of the government for the frequent changes in its policy

toward North Korea, we feel that the government's announcement that it is seeking a policy of "gradual and phased improvement in North-South relations through North-South exchange and cooperation" is an indication that its policy is back on track.

Prior to October 1994, when the United States and North Korea reached an agreement on the nuclear issue, the main barrier to North-South economic cooperation was North Korea's nuclear issue. At that time, the government linked economic cooperation with North Korea to the North Korean nuclear issue, and blocked ROK enterprises from forming joint ventures with North Korea.

The ROK Government's announcement on 9 November 1994 for "measures to invigorate North-South economic cooperation" was in step with the Geneva agreement between the United States and North Korea aimed at "alleviating its policy of linking economic cooperation with the nuclear issue which had blocked North-South economic cooperation."

From this time to May 1995 when the Beijing rice talks were held, the government was faithful to its principle of improving North-South relations "through economic exchange and cooperation."

In December 1994, the Ssangyong Business Group sent a business delegation to North Korea to sound out the possibility for building a Najin-Sonbong convention center. With this as the starting point, many ROK businessmen visited North Korea. On 17 May 1995, the government approved of Daewoo's plan to participate in the building of the Nampo industrial complex in North Korea. The government also approved requests submitted by other business groups such as Kohap Industrial, Hanil Textile, and Kukje Trade, for business activity in North Korea.

The government's 27 April announcement emphasizes its intention "to escape the aftereffects of the North-South rice talks and to create a new atmosphere for North-South economic cooperation." In fact, the government's approval this time of the three business groups' request for their economic cooperation with North Korea shows an active change in the government's economic policy toward North Korea.

The government's approval this time for the production of household appliances such as color television sets and washing machines by Daewoo Electronics in North Korea draws our special attention because Daewoo Electronics is expected to continue investment in North Korea's Nampo Industrial Complex.

Samsung Electronics' plan to build a communications center with a capacity of 10,000 circuits in the Najin-

Sonbong free economic and trade zone is also of significance because it involves the construction of infrastructure in this economic zone, and will attract further investment by ROK enterprises in this zone.

The government's approval of Samsung Electronics' construction of a communications center is our government's first affirmative response to North Korea which has spent the past six years making all possible efforts to induce foreign investments in the Najin-Sonbong zone.

In the case of Taechang Company Ltd., our attention is focused on its plan to develop Mt. Kumgang, rather than on its plan to build a spring water plant.

North Korea needs a tremendous amount of funds to develop the Najin-Sonbong zone. Therefore, North Korea has reportedly directed its policy toward giving priority to investing more funds in the cultivation of tourism resources which use the beautiful natural scenery in this area to its advantage.

Taechang Company Ltd. has reportedly agreed with Nungla [name as transliterated] 888 Trade General Company of North Korea to jointly push ahead with the Mt. Kumgang development project.

ROK: Kim Yong-chu, DPRK To Reform Economy by Opening Markets

*SK0705093596 Seoul YONHAP in English
0920 GMT 7 May 96*

[FBIS Transcribed Text] Beijing, May 7 (YONHAP) — North Korea will reform its economy by opening the market to foreign businesses following the existing policy line and there will be "no big change" from this policy line, a ranking Pyongyang official said here Tuesday.

Kim Chong-u, chairman of the North Korean Committee for the Promotion of External Economic Cooperation, denied South Korea press reports that Pyongyang would take big strides toward an economic reform as misleading. He flew into here to attend an international symposium on construction of a new trans-Eurasian railway.

North Korea has already taken necessary measures for an economic reform and there is no need for any additional steps for a big change, he added.

Asked to comment on Pyongyang's request for the international community's food aid and the possibility of South Korean investment in the Najin-Sonbong Free Trade Zone, he simply said, "No comment."

A source of the Chinese Organizing Committee of the symposium said Kim had met officials of the World

Bank and related UN agencies to explain them about the need for international investment in the Najin-Sonbong Free Trade Zone.

ROK: Foreign Minister Meets Russian Deputy Prime Minister

*SK0605124796 Seoul YONHAP in English
1238 GMT 6 May 96*

[FBIS Transcribed Text] Moscow, May 6 (YONHAP) — South Korean Foreign Minister Kong No-myong, now on an official tour of Russia, met with Deputy Prime Minister Vitaliy Ignatenko Monday to discuss matters of mutual concern.

A Korean official accompanying Kong said the discussion was centered on the proposed four-way talks and the latest situation of North Korea.

At the meeting held at the ITAR-TASS conference room, Minister Kong said the idea of the four-way meeting stemmed from the principle of resolving issues among direct parties involved.

This is why, Kong said, the meeting is supposed to be held among South and North Korea, the United States and China — all parties to the Korean Armistice Agreement.

Ignatenko said Russia is deeply interested in the major talks taking place on the Korean peninsula with which Russia borders.

Regarding the North Korean situation, the Russian vice premier said North Korea seems interested more in U.S.-North Korea talks than in direct South-North dialogue.

"I think it remains to be seen whether North Korea opens itself up," Ignatenko was quoted as saying.

In the evening, Minister Kong is to attend a banquet Ambassador to Russia Yi Choung-binn hosts for leading Russian officials in many walks of life.

ROK: Increasing Encroachment by PRC Fishing Ships in ROK Waters

*SK0705024896 Seoul THE KOREA TIMES in English
7 May 96 p 8*

[FBIS Transcribed Text] An increasing number of Chinese fishing ships have encroached into Korean waters recently.

According to the National Fisheries Administration (NFA) yesterday, a total of 217 Chinese fishing boats entered the nation's waters during the first four months this year, an increase of 21 percent from the same period last year.

Nineteen ships flying Chinese flags were seized by the nation's maritime police, according to the NFA.

An NFA official said that the Chinese ships, mostly equipped with dragnets, have inflicted a huge amount of damage to Korean fishing areas mainly located in the West Sea [Yellow Sea] between the two nations.

Last year, 7,373 Chinese ships encroached into Korean waters, and 198 of them were seized by the maritime police.

The NFA official said that the organization has taken strong measures to prevent Chinese boats from entering national waters, but these failed due to intransigent attitude shown by the Chinese.

The encroachment is drawing special attention in that the two nations have engaged in talks concerning the declaration of exclusive economic zones (EEZ).

During the fishing talks held May 3-4, the two nations failed to reach agreement on the EEZ issue, heralding tough sailing in this regard.

ROK Deputy Foreign Minister To Attend ASEAN Regional Forum Meeting

*SK0605024496 Seoul YONHAP in English
0124 GMT 6 May 96*

[FBIS Transcribed Text] Seoul, May 6 (YONHAP) — Deputy Foreign Minister Cho Won-il will fly to Jakarta, Indonesia, Friday to attend a Senior Officials Meeting (SOM) for a regional forum on political and security concerns, the Foreign Ministry said Monday.

Cho will explain the political and security situation on the Korean Peninsula, including the recent proposal by Seoul and Washington for four-way talks to negotiate a permanent peace regime on the peninsula, to the SOM of the ASEAN Regional Forum (ARF), a ministry spokesman said.

The senior officials meeting is aimed at preparing for the 3rd ARF ministerial meeting slated for July 23 in Indonesia.

ARF has 12 member countries and seven dialogue partners. Among the members are seven members of Association of Southeast Asian Nations (ASEAN), China, Russia, Laos, Papua New Guinea and Cambodia.

Dialogue partners include South Korea, the United States, Japan, Canada, Australia, New Zealand and European Union (EU).

ROK To Provide 39.7 Billion Won Loan to Sri Lanka

*SK0405034996 Seoul YONHAP in English
0224 GMT 4 May 96*

[FBIS Transcribed Text] Seoul, May 4 (YONHAP) — South Korea and Sri Lanka will sign an agreement Monday involving 39.7 billion won loan from South Korea that will allow the South Indian Ocean island state to upgrade its hospital and telecommunication facilities, Foreign Ministry Spokesman So Tae-won said Saturday.

The "arrangement between the Government of the Republic of Korea and the Government of Democratic Socialist Republic of Sri Lanka concerning a loan from the Economic Development Cooperation Fund" will be signed by South Korean Ambassador to Colombo Hong Chung-pyo and Sri Lankan Vice Minister for Finance B.C. Perera, So said.

The loan will carry a 3 percent annual interest rate with a 25 year repayment and five year grace period.

ROK, Vietnamese Technology Ministers Meet in Hanoi 3 May

*SK0305122896 Seoul YONHAP in English
1059 GMT 3 May 96*

[FBIS Transcribed Text] Seoul, May 3 (YONHAP) — Science and Technology Minister Chong Kun-mo, now on a visit to Vietnam, met his Vietnamese counterpart, Minister Dang Huu, in Hanoi Friday to discuss ways to promote science and technology cooperation between the two countries.

According to a report reaching the Science-Technology Ministry, the two ministers agreed to promote the conclusion of an atomic energy cooperation agreement and mutual exchanges in the areas of information and communications technology and technical manpower.

At the meeting, Minister Huu asked Korea for assistance in the creation of industrial research centers in Hanoi and Ho Chi Minh City, and Minister Chong disclosed the willingness to furnish technology development experiences and technical advices to Vietnam.

They also decided to exchange working-level technology survey missions to embody the outcome of the meeting and set up, based thereon, a Korea-Vietnam science and technology sub-committee.

ROK: Gross Foreign Debt Nearing \$80 Billion

*SK0405082096 Seoul YONHAP in English
0744 GMT 4 May 96*

[FBIS Transcribed Text] Seoul, May 4 (YONHAP) — South Korea's gross foreign debt is approaching an all-time record high of 80 billion U.S. dollars, according to the Bank of Korea.

The debt was provisionally tallied 78.98 billion dollars at the end of last year, up 78.9 percent from the year before.

Short-term loans repayable within a year rose 49.4 percent to 45.41 billion dollars last year, representing 57.5 percent of the aggregated debt. Long-term debt also climbed 26.8 percent to 33.57 billion dollars.

The nation's gross foreign debt fell from a peak of 46.76 billion dollars in 1985 to 29.37 billion dollars in 1989, and the trend reversed, increasing to 31.7 billion dollars in 1990, to 42.81 billion dollars in 1992, to 56.85 billion dollars in 1994, and breaking through the 70-billion-dollar level in June last year.

The net foreign debt, namely the gross debt minus the nation's overseas assets, jumped 76 percent to 18.19 billion dollars last year, a record high for the past eight years, the central bank said.

The increasing foreign debt is attributed to the expanding current-account deficit, the private sector's increasing demand for foreign exchange funds and an extended period of payment for imports on a credit basis, as well as slowing corporate investment overseas.

An official said the gross foreign debt would exceed the 80-billion-dollar level and the net debt the 20-billion-dollar level by the end of this year, if the present pace of increase continued.

But the nation's gross foreign debt still accounts for only 4 percent of the gross national product, nearly half of the 7-8 percent registered in advanced countries, he remarked, adding that the official debt of 10 billion dollars is by no means a worrisome amount.

The World Bank classifies countries with a per capita income of more than 10,000 dollars as net investor countries and does require foreign debt figures of such countries. So, the central bank will stop official tallying foreign debt, starting from late this year or early next year, the official said.

ROK: Trade Ministry Plans Further Liberalization of Imports

*SK0705025896 Seoul YONHAP in English
0146 GMT 7 May 96*

[FBIS Transcribed Text] Seoul, May 7 (YONHAP) — Twenty or more items will be removed from the list of those subject to import source diversification by early July, the Ministry of Trade, Industry and Energy announced Tuesday.

"The plan is in light of pressure from major trading partner countries against our import source diversification system," a senior ministry official said.

The government already removed 25 items from the list earlier this year in line with its policy to gradually reduce the number of items on the list through 1998.

The official was quick to add, however, that Seoul is not considering doing away with the list altogether, as was demanded by the United States and Canada at a recent trade committee meeting of the Organization for Economic Cooperation and Development (OECD).

The official acknowledged that some OECD countries objected to the diversification system at the trade committee meeting, but added, "It is not as though we have to address all of the grievances aired at the trade committee in connection with our planned entry into OECD."

Under OECD rules, he said, Korea's admission could be blocked if the capital movement and current and invisible transactions committee and six others refuse to allow entry.

The decisions of the trade, labor and two other OECD committees, however, have no binding force and are used by the OECD board only as references.

"We are now working to choose the items to be removed from the diversification list and will make an announcement July 1," he said.

The list contained 258 items when it was first introduced in 1993 and now has 162 items. Seoul is aiming to reduce the number to 129 by 1998, and has been reducing the list by 10 percent annually since 1993.

ROK, PRC To Jointly Crack Down on 'Disguised Marriages'

*SK0705101696 Seoul YONHAP in English
0830 GMT 7 May 96*

[FBIS Transcribed Text] Seoul, May 7 (YONHAP) — South Korea and China agreed Tuesday to join forces to crack down on the increasing number of disguised

marriages between South Koreans and ethnic Koreans from China, a Foreign Ministry official said.

"Specific measures, however, will be agreed upon at Wednesday's talks," said Director General Kang Unsik of the ministry's Overseas Residents and Consular Affairs Bureau. Kang was briefing reporters on the tentative results of the two-day talks between consular affairs officials from the two countries.

According to Kang, about 7,900 couples have gotten married and the ministry believes that a significant number of the marriages were disguised.

"Our estimation is based on the fact that most of the South Korean bridegrooms are old, unemployed or physically handicapped," he said.

South Korea and China agreed on the need to revamp the legal procedures for marriages between South Koreans and Chinese, mostly ethnic Koreans in China's northeastern provinces, Kang said, who complained that the work associated with the international marriages has virtually paralyzed South Korean missions in China.

During the talks, the Chinese side called for an increase in the number of Chinese workers allowed in to South Korea, Kang said.

The South Korean side meanwhile demanded that the Chinese Government make an effort to select workers more carefully and educate them so they continue to work in their assigned workplaces without fleeing to seek better paying jobs in the service sector.

"It's true that South Korean entrepreneurs do not like to hire Chinese workers, mostly ethnic Koreans, because they tend to leave their jobs to look for service sector jobs just one or two months after they are assigned to South Korean firms," he said.

Kang attributed this trend to the fact that the Korean Chinese have no problem in communicating in South Korea unlike workers from other Asian countries.

Korean Chinese accounted for about 40 percent of the 20,000 workers recruited from 12 countries last year.

South Korea has recruited about 90,000 foreign workers so far to help local firms suffering from labor shortages.

Kang said that China has failed to respond to their request to expedite the resolution of the case involving South Korean Pastor An Sung-un who was presumably kidnapped and taken to Pyongyang by North Korean agents last year.

"They didn't seem too happy that the issue was raised," he said.

China has said that it will inform Seoul of the outcome of the investigation into the alleged kidnapping case once it is resolved.

The Chinese side, however, pledged that it will make every attempt to protect foreigners including South Koreans traveling in China, especially in the northeastern provinces where millions of ethnic Koreans live.

ROK To Send Economic Team to GMS Nations 2-13 Jun

SK0605102696 Seoul YONHAP in English
0818 GMT 6 May 96

[FBIS Transcribed Text] Seoul, May 6 (YONHAP) — The South Korean Government has decided to send a large public and private sector economic cooperation team to five nations adjacent to the Mekong River — Thailand, Myanmar [Burma], Laos, Cambodia, Vietnam — and Singapore between June 2-13 to map out a basic strategy for taking part in the Greater Mekong Subregion (GMS) development project by August.

The government appointed the public-private joint committee Monday, which will spearhead nation's participation in the ambitious international construction project.

In their first session at the building of the Federation of Korean Industries, committee members adopted an agenda that involves establishing the basic direction for South Korea's participation in the GMS project, expanding cooperation with GMS nations and international organizations, addressing difficulties encountered by domestic firms and creating a channel to exchange information on the GMS project.

The joint committee agreed to send the 40-member team to the six nations to discuss with local government officials and entrepreneurs ways that South Korea can participate in the various GMS projects.

The committee is also going to formulate a basic plan on the basis of its findings that will prioritize the projects and financing by July or August.

ROK Launches Sixth Naval Submarine 7 May

SK0705052596 Seoul YONHAP in English
0455 GMT 7 May 96

[FBIS Transcribed Text] Seoul, May 7 (YONHAP) — The South Korean Navy's sixth submarine, Chong Un-ho, was launched at Daewoo Shipbuilding and Heavy Machinery Co.'s Okpo Shipyard Tuesday morning.

The launching was witnessed by Adm. An Pyong-tae, chief of the Naval Operations; Yun Won-sok, chairman of Daewoo Co.; and a number of other well-wishers.

Chong Un-ho, a 1,200-DWT [deadweight ton] diesel ship with a 30-man crew, is able to cruise at speeds of up to 22 knots while submerged and can operate for two months without refueling.

The submarine was named after a famed Choson Kingdom Admiral, Chong Un (1543-1592), who helped Adm. Yi Sun-sin score smashing victories in naval duels with Japanese invaders before being killed in action in the early phase of the Japanese invasion of 1592-97.

ROK: Yi Hong-ku Elected New Chairman at NKP's National Committee

*SK0705080896 Seoul YONHAP in English
0745 GMT 7 May 96*

[FBIS Transcribed Text] Seoul, May 7 (YONHAP) — Former Prime Minister Yi Hong-ku was elected new chairman of the ruling New Korea Party (NKP) Tuesday at the party's National Committee.

Yi was unanimously elected by the 1,380 members of the committee after party leader President Kim Yong-sam nominated Yi for the number two NKP leadership position.

President Kim is expected to meet with the new chairman at Chongwadae [presidential offices] Wednesday to discuss changes in party leadership, party sources said.

Two names being mentioned as possible candidates for secretary-general are Kang Sam-chae, incumbent secretary-general, and So Chong-won.

Hopefuls for chief policymaker are Kang Hyon-uk, So Sang-mok, Hwang Pyong-tae and Kim Chung-wi.

The floor leader's post will go to one of Sin Kyong-sik, Choe Pyong-yol, or Yi Se-ki, according to the sources.

After being elected, the new chairman said that the party and the government should concentrate all of their efforts on satisfying the people's desire for continued reform.

"We will regard the young generation's dreams for the future as the driving force for building a new Korea," Yi told the committee. The NKP will take the lead in creating a new political climate by keeping all of its promises to the people."

At the convention, the ruling party also adopted a resolution which called for doing away with obsolete political practices.

ROK Former Minister Says Chon Recommended Himself as President

*SK0605131196 Seoul YONHAP in English
1200 GMT 6 May 96*

[FBIS Transcribed Text] Seoul, May 6 (YONHAP) — Chon Tu-hwan, then defense security commander, saw to it that a major commanders meeting be held five days after President Choe Kyu-ha stepped down in August 1980.

The purpose of the meeting? To recommend himself as president. This was learned Monday during a trial of Chon and 10 others involved in the May 18 incident.

Chu Yong-pok, then defense minister, said that he called a major commanders meeting on Aug. 21 to recommend Chon Tu-hwan as next president.

"I called the meeting because defendant Chon Tu-hwan asked me to do so through my assistant," Chu said.

He said that at the meeting he recommended Gen. Chon as new president. "I made the recommendation simply by reading a text handed to me by Kwon Chong-tal, chief of the office of intelligence, Defense Security Command," he said.

Chu said he is positive that Kwon gave him the text, adding, however, he did not know whether the text was written by Chon Tu-hwan himself or some one else.

The text read in part, "Let us recommend as the next head of state Gen. Chon Tu-hwan who has overcome a national crisis with outstanding leadership and who has emerged as a leader of the new age and new history at home and abroad."

Thanks to maneuvering by the all-powerful Defense Security Command, Chon was elected the new president by the rubber-stamp Electoral College, National Conference for Unification, on Aug. 27, 1980.

Of the 2,525 delegates who took part in the voting, 2,524 or 99.96 percent of the total voted for Chon.

ROK: Namchongnyon Students Protest Over Student's Injury

*SK0705023696 Seoul THE KOREA HERALD
in English 7 May 96 p 3*

[FBIS Transcribed Text] Kwangju — Hundreds of students in this southwestern city and its surrounding areas yesterday staged a violent street demonstration here, demanding the release of radical student leaders put in police custody for masterminding violent antigovernment protests, police and news reports said.

About 300 students of "Namchongnyon," a coalition of students in Kwangju and South Cholla Province, fought with riot police for about one hour from 10:10 a.m. [0110 GMT on 6 May], protesting the injury of a Chonnam National University student during a clash with riot police Saturday.

Chang Sam-yol, 21, a senior majoring in environmental engineering, was reportedly in danger of losing the sight in his right eye due to an injury sustained when he was hit by a stone believed to have been thrown by a riot policeman.

ROK Government 'To Crack Down Harshly' on Violent Demonstrators

*SK0705073096 Seoul YONHAP in English
0647 GMT 7 May 96*

[FBIS Transcribed Text] Seoul, May 7 (YONHAP) — The government, believing illegal and violent demonstrators have reached an intolerable stage, decided Tuesday to crack down harshly on violent demonstrations by group petitioners, dissident organizations or leftist-minded students.

The decision was made at a public security-related ministers meeting chaired by Prime Minister Yi Su-song held at the Sejong-no Government Building.

Stressing that illegal and violent demonstrations will not be tolerated under any circumstances, Premier Yi instructed the ministers to deal decisively with illegal civil organization activities staged under the cloak of expressing public grievances.

The ministers agreed that violent demonstrations by group petitioners and organizations and leftist activities by dissident and activist students have reached a point where they can no longer be left unchecked.

The meeting decided to preempt assemblies that have not given advance notice to law-enforcement authorities and to disperse gatherings that violate these terms of notifications.

It also decided to prevent student organizations from contacting North Korea by telephone or facsimile and increase efforts to inhibit the spread of leftist ideology through computer communication networks, films and publications.

In a report to the meeting, Home Affairs Minister Kim U-sok said 237 petitions from groups complaining about apartment reconstruction, piped-water reservoir areas and transportation facilities, are currently pending.

Many of the groups or organizations involved tend to resort to such radical activities as the seizure of public offices or roads, Kim said.

Justice Minister An U-man and Education Minister An Pyong-yong said student activities seem to be growing more and more violent.

"Since the new school year began last March, fire-bomb demonstrations have become part of the daily lives of student activists in some areas," Justice Minister An said, adding that 36 students have been arrested so far this year in connection with demonstration violence.

The growing violence of student activities is a reflection of the fact that the pro-North Korean national liberation faction controls the student organizations at 107 of the 155 colleges and universities across the country, Education Minister An added.

ROK Willing To Increase Stake in Asia Development Bank

SK020504296 Seoul THE KOREA HERALD in English 2 May 96 p 8

[Report by KOREA HERALD correspondent Kang Sok-chae]

[FBIS Transcribed Text] Manila — Na Ung-pae, deputy prime minister and minister of finance and economy, Wednesday reaffirmed Korea's willingness to continue increasing its stake in the Asian Development Bank (ADB).

In a keynote speech during the 29th Annual Meeting of the ADB, Na stressed the importance of the ADB as an operational center for further infrastructure development in the region.

"Korea has reinforced its cooperation with the ADB in resource mobilization through such means as the ADB-Korean Economic Development Cooperation Fund (EDCF) cofinancing agreement and the Korean won-denominated bond issue in the capital market," Na said.

The ADB annual meeting, which opened Tuesday for a three-day run, drew top financial policymakers and bankers from 56 member countries.

Along with the alleviation of poverty, he said that the issue of infrastructure development in the region is very important.

"In recent years, there have been a number of initiatives and efforts directed toward this area in various contexts such as the Asia Pacific Economic Cooperation (APEC) and the Asia-Europe Meeting (ASEM), but I believe that the ADB should be an operational center of these efforts."

"Moreover, Korea has begun to increase its participation in infrastructure projects of individual economies and

multiregional projects," Na said, adding that Korea has expressed its interest in projects like "the Greater Mekong Subregional Cooperation Program."

He also said that the environmental issue should continue to be on the list of the ADB's priority policies.

Calling for more allocation of resources to projects addressing the pluri-lateral environmental problems of the region, Na proposed the introduction of a compulsory environmental impact analysis of all projects.

He agreed to the necessity of the enlargement of ADB resources to solve the critical issues of poverty, infrastructure development and the environment.

"In particular, although the ADB's general capital increase served its purpose well in the past, I believe that in order to deal with future challenges, other consideration should be given to a special capital increase," Na said.

He also reaffirmed Korea's position supporting the seventh replenishment of the Asian Development Fund (ADF), which was expressed at last year's Auckland, Australia, meeting. "In addition, we endorse the ADB's ongoing efforts to improve the operational efficiency of special funds."

Touching on the ADB's 1995 achievements, Na said that 1995 was "an impressive and successful year" for the Asian region and the ADB.

He said that Asian developing member countries benefitted from prudent macroeconomic management and suffered relatively few effects of turbulence in the international financial market.

"The ADB policy initiatives in 1995 were also quite positive: the total amount of loans approved last year recorded a 50 percent increase. The ADB implemented new policies to consolidate its primary directives and improved the quality of management through such means as the Task Force for Improving Project Quality," Na said.

ROK Minister Chong Describes Plans To Protect Environment

*SK0305013996 Seoul THE KOREA HERALD
in English 3 May 96 p 3*

[FBIS Transcribed Text] Declaring South Korea's commitment to becoming an "environmentally correct member country" in the 21st century, Environment Minister Chong Chong-tae laid out steps South Korea will take in the next few years to protect the environment.

In a speech delivered Wednesday at the fourth session of the United Nations Commission on Sustainable

Development (CSD) held in New York, Minister Chong said that at the fore is the "Five-year Comprehensive Coastal Area Management Plan," which is an integrated coastal area management program with special emphasis on preventing oil spills and red tides. Oil spills and red tide phenomena have wreaked havoc on the nation's waters last year.

In the speech, simultaneously released here, Chong listed also government plans to adopt green accounting, a toughening of environmental impact studies and providing subsidies and preferential tax treatment to the nation's small- and medium-sized businesses who perform well environmentally.

The minister, however, said that South Korea, while agreeing in the principle of linking environmental issues with trade, will oppose retaliatory trade sanctions.

The Commission is the gathering of member and non-member countries to discuss progress of the implementation of action plans for the "Agenda 21," in their respective countries. The agenda is a manifesto of sustainable development which was taken up at the 1992 Rio Summit, otherwise known as United Nations Conference on Environment and Development.

ROK Urges International Efforts To Check Regional Air Pollution

*SK0405051696 Seoul YONHAP in English
0426 GMT 4 May 96*

[FBIS Transcribed Text] Seoul, May 4 (YONHAP) — South Korea stressed the need for international cooperation in coping with transboundary air pollution Saturday, urging Northeast Asian countries to proceed with a joint project to prevent air pollutants from moving from one country to another.

Welcoming a resolution adopted Friday at a meeting of the United Nations Commission on Sustainable Development (CSD), a statement released by the Foreign Ministry also said that the resolution paved the way for the UN Environment Program (UNEP) to take steps to impose restrictions on the use of pollutants on a worldwide basis in a bid to root out the land pollutants which constitute more than 80 percent of sea contamination.

Environment Minister Chong Chong-tae and Deputy Permanent Representative to the United Nations Ham Myong-chol led the South Korean delegation to the CSD meeting, which was held at the UN headquarters in New York from April 18 to May 3.

Burma

Burma: Opposition Criticizes Government's Release of Khun Sa

*BK0605081096 Hong Kong AFP in English
0706 GMT 6 May 96*

[FBIS Transcribed Text] RANGOON, May 6 (AFP) — Pro-democracy opposition leaders have said military authorities acted irresponsibly and illegally in freeing Khun Sa, the former drug warlord, without bringing formal charges.

There was no legal precedent for letting a major drug trafficker off without answering for his misdeeds, said Tin U, vice-chairman of Nobel Laureate Aung San Suu Kyi's National League for Democracy.

"Nobody, be he a cabinet minister, a prime minister or a military general, has the right to make such a decision," he told the crowd at a regular weekend gathering outside Aung San Suu Kyi's residence.

A senior member of Burma's ruling military, Lieutenant General Kyaw Ba, said last week that Khun Sa was a "free man" and would face neither a trial in Burma nor extradition to the United States, where he has been indicted on drug charges.

Tin U said legally, an amnesty could only reduce a death sentence to life imprisonment, life to ten years, or reduce a lesser sentence by two-thirds.

The ruling State Law and Order Restoration Council (SLORC) passed a law authorizing such an amnesty for persons on trial before it took power in September 1988, but murderers, rapists and drug traffickers were ineligible, he said.

The SLORC should not act irresponsibly; it should respect its own laws by charging Khun Sa, putting him on trial and sentencing him, Tin U said.

"If (after the sentencing) you want to show your goodwill and are eager to accommodate him ... you can then use your power to invoke the general amnesty," he said to the gathering, addressing the military junta.

The former drug king won the government's cooperation by arranging the unconditional surrender in January of his Mong Tai Army, which had controlled much of the heroin trafficking in Burma's eastern Shan State.

The state includes the Burmese portion of the Golden Triangle, an opiate-producing region which encompasses neighboring areas of Thailand and Laos.

Kyaw Ba, who is also minister for hotels and tourism, said Khun Sa should be forgiven since he has surrendered all his weapons, given up his drug refineries and was giving the authorities no problems.

But Aung San Suu Kyi, speaking to a crowd of some 2,000 outside her gate on Saturday, said if the military could show goodwill to a drug warlord, there was no reason they could not do the same with "democracy supporters."

"I would like to ask why it is not possible to seek unity with us if this is possible with Khun Sa," she said.

"We have neither used guns to attack soldiers nor destroyed people with opium" and have done nothing to offend the authorities other than to criticise them for injustices, she said.

Burma's Suu Kyi: SLORC Incapable of Coping With Criticism

*BK0705044496 Bangkok THE NATION in English
7 May 96 p A4*

[Article by Aung San Suu Kyi from the "Letters From Burma" weekly series: "Military Junta Stifles the Thingyan Festival"]

[FBIS Transcribed Text] Poets who have known the disturbing beauty of spring in temperate lands write about the month of April with a quivering nostalgia, fascinated, and perhaps a little frightened, by its uncertain glory. April in tropical Burma is of a totally different order from

"... the cruellest month, breeding Lilacs out of the dead land, stirring dull roots with spring rain."

The cruelty of April in Burma lies not in the pain of returning life but in the searing heat and brassy glare of the sun that saps strength and energy, leaving people as parched and exhausted as the cracked earth. It is during this hot and draining month that the Burmese New Year falls. And fittingly the New Year is celebrated with a water festival.

The name of the festival is Thingyan. The Thingyan denotes a changeover and the suffix maha, great, is often added to indicate the major change from an old to a new year which the festival celebrates. We also use the suffix ata, ending, as the festival actually takes place during the last four days of the old year and the ata water that we pour on each other as part of the festivities symbolises peace and prosperity and the washing away of impurities.

The form of the Thingyan festival has changed perceptibly over the last 200 years. An Englishman, Captain Symes, sent by the Viceroy of India to the Burmese town of Ava in 1795 left a description of the water festival in which he took part.

"To wash away the impurities of the past and begin the new year free from stain, women on this day throw

water on every man they meet, and the men are allowed to throw water on them in return. This permission to throw water on one another gives rise to a great deal of harmless merriment, especially among the young women, who, armed with large syringes, squirts and vessels, try to wet every man that goes along the street, and in return receive a wetting with the utmost good nature."

"The slightest indecency is never shown in this or in any other of their sports. Dirty water is never thrown. A man is not allowed to lay hold of a woman, but may throw as much water over her as he pleases, provided she has started first."

The age of chivalry when only women were allowed to start throwing water first has long gone by. And these days water hoses fitted with nozzles that spurt out strong jets of water have largely replaced syringes and squirts and dainty vessels.

Many Burmese, particularly those belonging to the older generations, would sadly admit that it can no longer be claimed that "the slightest indecency is never shown" during the festival, especially since alcoholic excess has come to be associated with Thingyan. In modern times, it has become the practice to set up temporary buildings for the purpose of throwing water and providing entertainment in the form of songs and dances on the side of city streets. Carloads of merrymakers go from street-to-street getting wetter and wetter and in some cases getting more and more intoxicated.

But there is more to Thingyan than throwing water and having fun. It is time for taking stock of the past year and using the last few days before the new year comes to balance our "Merit book."

Some people spend the period of the water festival meditating, worshipping at pagodas, observing the eight precepts, releasing caged birds and fish and performing other meritorious deeds.

Children are told that Sakya come down from his heavenly abode to wander in the human world during the days of Thingyan, carrying with him two large books, one bound in gold and the other in dog leather. The names of those who perform meritorious acts are entered in their golden book while the names of those who do not behave are noted down in the dog-leathered tome. It is especially important not to get angry during Thingyan or to make others angry. It is, therefore, considered wrong to throw water at anybody who is unwilling to be doused.

There are special foods associated with Thingyan. One of the most popular of these are small boiled rice

dumplings with a stuffing of palm sugar, eaten with a sprinkling of shredded fresh coconut. Often hot chillies are put in place of the palm sugar in a few dumplings and there is much good humoured laughter when some unfortunate bites into one of these lethal sweetmeats and vociferously expresses his chagrin. Because it is such a hot time of the year, sweet, cooling drinks made from coconut milk, swirling with bits of rice pasta tinted a pale green, sago, seaweed jelly and other garnishes are served as part of the festivities.

A traditional part of the water festival has disappeared in recent years: the Thingyan thangyat, rhyming choruses that provide pungently witty commentaries on topical subjects, particularly on the government. It was a way of allowing people to let off steam healthily once a year and also a way of allowing sensible governments to know how the people truly feel about them. But the State Law and Order Restoration Council (SLORC) is incapable of coping with criticism. Members of the National League for Democracy who sung such choruses in 1989 were imprisoned.

Burma: Chief Justice on Misdeeds Among Advocates

BK0605143796 Rangoon THE NEW LIGHT OF MYANMAR in English 4 May 96 pp 12, 7

[Report By Myanmar [Burma] News Agency]

[FBIS Transcribed Excerpt] Yangon [Rangoon] 3 May — Chief Justice U Aung Toe and Chairman of Bar Council Attorney General U Tha Tun addressed ceremony to present advocate certificates this morning at the Supreme Court. [passage omitted on presenting certificates]

In his address Chief Justice U Aung Toe elaborated on systems of presenting the advocate certificate. [passage omitted on advocate certificates presenting system]

He explained that as the certificate was issued just before hearings began, advocates did not have the opportunity to hear their code of conduct, and responsibilities and other matters they should take note of.

Being advocates who have to serve at the Supreme Court, the highest law court of the State, they have to be dutiful taking the interest of the State, people and clients into consideration and so the certificate was presented with ceremony to explain noteworthy points he said.

He said the advocates who received certificates today are to serve at law courts at different levels, from township to the Supreme Courts representing their clients.

In the field of administrative [as published] of justice, police officers who bring cases to the law court, officials of the prosecuting bodies, law officers who assist law courts for speedy disposal of cases, personnel of departments associated with law courts as well as higher grade pleaders, advocates, etc, have to work together with judges and so they are, in other words, members of the same family, working together and so the aim of meeting them was to give counsel with goodwill for them to beyond successful advocates. [as published]

The Chief Justice spoke of the address of Secretary-1 of the State Law and Order Restoration Council Lt-Gen Khin Nyunt to a meeting of State/Division and district judges and law officers at the Institute of Nursing on 22 August 1994 in which reviews on the judicial system were made and guidelines for lawyers elaborated.

Quoting the Secretary-1's address, he said that all those responsible are to strive to implement aims and basic principles in the administration of justice after realizing them completely, that it is necessary for the judges, law officers and officials of Myanmar [Burma] Police Force (MPF), Bureau of Special Investigation and Prisons Department to cooperate and coordinate for the enforcement of law and the prevalence of peace and tranquillity and flourishing of the three virtues — righteousness, justice and sympathy, and that it is necessary to boldly, seriously and unswervingly expose truth to make the public have trust and reliance in the administrative system and make law breakers have awe in it.

He said, quoting the address, "Lawyers, though they are not government employees, have to assist toward smooth process of administration of justice" and noted the judicial pillar may falter if they are engaged in malpractices, adding the profession of advocates is noble and prestigious and they enjoy good merits and fair livelihood for they have to assist those involved in cases.

Just as there are lawyers who live up to traditions and uphold dignity so also there are those who are not loyal to their clients and do not assist law courts, he said, noting some clients suffer losses due to lawyers' lack of duties and some clients can not proceed on the legal path for their failure to inform their clients of trends of the case.

There are a large number of lawyers who, misusing the names of judges, ask for bribes and who write anonymous letters to the courts, those who commit contempt of court, without assisting the law courts and those who send blackmail letters to the courts before passing judgments, he said.

He spoke of existence of lawyers who interfere in law courts by deliberately asking questions which may harm the dignity of clients and witnesses of other side and attributed lawyers' breach of ethics to some experienced advocates who, through friendship, do not systematically train their apprentices and readily issue before the end of apprenticeship recommendations to those who have never been to law courts, who train their apprentices wrong ways in which money matters most.

He emphatically urged the advocates to take notes of points in the Secretary-1's address.

He underscored the need for judges, law officers, members of the MPF, lawyers and all those associated with law courts to strive for correct administration of justice and to cooperate to prevent cases in which judgments are in favour of money. He said the Supreme Court is providing supervision to law courts at different levels and law officers and personnel and taking actions as necessary for emergence of law courts which the people trust and rely, especially, it has exposed corrupt personnel for getting rid of bribery at courts, calling on the advocates and lawyers to avoid bribing judges, paving the way to be able to bribe and urging the clients to bribe.

He cited malpractices of some lawyers — resorting to various means to delay court proceeding, disrupting cases by means of bribery and misuse of the names of high-ranking officials, making the accused appear like the plaintiff for reversing the trend of cases, designing to make the case more complicated, persuading the clients and witnesses to lie before the court, making the clients to sign invalid agreements, collaborating with clients on the other sides, switching to the other side after obtaining all information from the client, molesting women clients, taking advantage of their inability to pay legal fees, causing clients to exhaust, losing time and money, at high courts by withholding information and so making the clients believe they will win in their cases, not sending the case for trial although they have accepted it, telling lies that the higher court has passed judgment although the case has actually not been disposed, presenting to the higher court that a particular judge has passed the judgment although the judge has not been involved, and serving as lawyers after buying estates in dispute.

Action was taken against corrupt lawyers by completely revoking their licence or revoking their licenses for a certain period, he said.

He noted that they will be proper advocates if they adhere to related laws and code of ethics, duties and

rights of lawyers published by the Bar Council in January in 1992.

The Chief Justice stressed mutual respect among all those involved in the administration of justice and called on the advocates to deal with their clients smoothly and said all clients want upright lawyers who adopt correct methods and in most cases, they have difficulties in finding right lawyers.

The law courts, he said, to guide lawyers to correct ways, aiming at flourishing of a reliable judicial system.

In conclusion, he urged the advocates to be upright, to avoid shortcuts for making names and money, to assist law courts to be able to expose truth, to educate the people, to pursue knowledge in their professions, take the counsel of the elders and try to be reputable advocates, to adhere to laws, orders, declarations and rules issued by the State, to be loyal to the State and to direct their efforts toward welfare of the people without lopping [as published] sight of the objectives of the State. [passage on Attorney General U Tha Tun's address on the same issue omitted]

Brunei, Malaysia & Singapore

Brunei

Brunei: Sultan, Singapore's Goh Discuss Ways To Enhance Ties

BK0705044696 (Internet) Television Corporation of Singapore WWW in English 0200 GMT 7 May 96

[FBIS Transcribed Text] Brunei and Singapore have agreed to look into ways to further enhance their close bilateral ties.

Prime Minister Goh Chok Tong, who is on a three-day informal working visit to Brunei, discussed this with Sultan Hassanal Bolkiah yesterday.

Mr. Goh suggested four ways to enhance ties.

One is to get the civil service of both countries to institutionalize the exchanges between them.

Another suggestion is to facilitate exchanges between the youths of both countries, especially undergraduates. As such, Mr. Goh has also called for links to be set up between the University of Brunei Darussalam and Singapore's NUS [national University of Singapore] and NTU [Nanyang Technological University].

Mr. Goh also feels there can be more private sector commercial link-ups, for instance on investment projects in third countries.

Sultan Hassanal Bolkiah responded positively to Mr. Goh's suggestions. He agreed both sides should explore

how the ideas can be taken up at the working level in order to put them into operation.

The 40-minute meeting between the two leaders was described as very warm.

This afternoon, Mrs. Goh Chok Tong had separate audiences with the Sultan's wives. The audience with Raja Isteri Saleha was held at the Nurul Iman Palace, while the second audience with Pengiran Isteri Mariam took place at the Nurul Izzah Palace.

Malaysia

Malaysia: Foreign Minister Receives Sudanese Counterpart

BK0705094596 Kuala Lumpur Voice of Malaysia in English 0800 GMT 7 Apr 96

[FBIS Transcribed Text] Malaysia hopes that Sudan will provide more specific information on the areas of investment which Malaysian entrepreneurs should venture into.

Foreign Minister Datuk Abdullah Haji Ahmad Badawi said this would be in line with Sudan's aspiration to see a more active role by Malaysia in trade and investment as well as development.

He said this to reporters after meeting with Sudanese counterpart Ali 'Uthman Muhammad Taha in the federal capital.

Ali 'Uthman, accompanied by Sudan's deputy minister of finance, Dr. Sabir Muhammad al-Hasan, and two other government officials are on a three-day visit to Malaysia beginning yesterday.

Datuk Abdullah said they also discussed the Organization of Islamic Conference of which the two nations are members.

Malaysia: Candidacy Announced for Chinese Party Post

96SE0069B Kuala Lumpur BERITA HARIAN in Malay 23 Mar 96 p 1

[FBIS Translated Text] Kuala Lumpur, 22 Mar—MCA [Malaysian Chinese Association] Vice President Datuk Lim Ah Lek today officially offered himself to run for the office of deputy president in the party's election on 6 and 7 July.

At the same time, Secretary-General Datuk Dr. Ting Chew Peh, who had been mentioned as a candidate for the post, confirmed that he would not oppose Lim.

This decision automatically ended speculation on possible competition between Lim and Dr. Ting for the position now held by Datuk Lee Kim Sai.

According to Lim, he had a personal meeting with Dr. Ting to discuss the matter.

"We had a good meeting. For the unity and stability of the party, I offered to run for deputy president in the party's coming election."

"I thank Dr. Ting, who promised to give me full support if I receive the nomination for the office," he said at a news conference here today.

He said that the decision was made to avoid division in the MCA and that everything was done for the sake of party unity.

"The party's president, Datuk Seri Dr. Ling Liang Sik, was informed of the decision, and he accepted it," he said.

When asked about Dr. Ting's status as a result of this announcement, Lim said, "Our main job is to help the president fulfill his responsibility."

"We work together, and the president is the chief. Please do not speculate."

Lim said that he leaves it up to the party to make the decision in case the present deputy president, Datuk Lee Kim Sai, should decide to run to keep his position.

"We consider the matter finalized. There are many other duties and responsibilities that need completion."

"I thank members of the party who have responded to the call not to make statements about the post of deputy president," he said.

When contacted, Lee said that anyone may run, because that is an individual's right. He declined to comment on whether he would run again, however.

Malaysia: Islamic Party Leader Admits 'Serious' Problems With Palace

BK0405101296 Kuala Lumpur THE STAR in English
4 May 96

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Kota Baru — Menteri Besar [chief minister] Datuk Nik Abdul Aziz Nik Mat said his problems with the Kelantan palace were very grave and he had had enough of palace interference in the state administration.

He said what angered him most was that the palace refused to accept criticism when it was in the wrong.

"No doubt we must respect our Rulers. When we criticise them, we must not be rude. And a good Ruler must reciprocate positively when criticised or advised over his wrongdoing."

"I know some other leaders who will not say a thing when they are in front of the Ruler even though they know what he is doing is wrong."

"I get very angry when we, as state government leaders, cannot speak our mind before the Ruler," said Nik Aziz, who is the state PAS [Pan Malaysian Islamic Party] commissioner.

Speaking before a large gathering here attended mostly by PAS supporters on Thursday, Nik Aziz admitted he had previously maintained that the problems were minor.

"Every time a pressman asks me about our problems with the palace, my reply will always be adalah sikit-sikit (there are some minor hitches).

"In actual fact, masalah yang ada, yang amat-amat besar (the problems are very severe)," he said.

"I have had enough of palace interference and this is the reason why we will definitely push for the proposed amendments to the state constitution," Nik Aziz said.

The gathering was held to explain to PAS supporters the present crisis between PAS and Parti Melayu Semangat 46 [Malay Party of Spirit of 46] and also the PAS-led Kelantan Government's proposed amendments to the state constitution.

The crisis was sparked off by talk of Semangat president Tengku Razaleigh Hamzah rejoining Umno [United Malays National Organization].

The situation was aggravated when PAS said that it would push for amendments to the state constitution to curtail the power of the Sultan.

Semangat had stated that it would oppose the proposed amendments.

In paying respect to a Ruler, Nik Aziz said, one must not go to the extent of idolising him.

"In Islam, the only man we can idolise is the Prophet Muhammad. Even then, certain religious scholars have said that is wrong," he added.

Urging PAS supporters to remain committed to the struggle for Islam, Nik Aziz said he could not reveal everything that had happened.

"So far, you have read about the issue through the newspapers and so far their reports have been fair," he added.

Malay Party Condemns Allied Islamic Party

*BK0505093396 Kuala Lumpur SUNDAY STAR
in English 5 May 96*

[Report by Shamsul Akmar and Nick Leong — received via Internet]

[FBIS Transcribed Text] Kota Baharu: Parti Melayu Semangat 46 [Malay Party of the Spirit of 46] has accused PAS [Pan-Malaysian Islamic Party] of behaving like "an insecure old man with a young wife" — a day after PAS likened its ally to a wife pining for her old flame, UMNO [United Malays National Organization].

Semangat's information chief Ahmad Shabery Chik said yesterday PAS was suffering from the "jealous old man" syndrome when it got angry with Semangat leaders for meeting their UMNO counterparts.

He said Semangat did not understand why PAS, especially Menteri Besar [Chief Minister] Datuk Nik Abdul Aziz Nik Mat, was all worked up when Semangat president Tengku Razaleigh Hamzah met UMNO president Datuk Sri Dr Mahathir Mohamed.

"Nik Aziz himself went to meet Dr Mahathir in the past. We did not say anything about it. When Tengku Razaleigh went to see Dr Mahathir, Nik Aziz became angry.

"If that's the case, then PAS is feeling insecure like an old man with a young wife. They get jealous at every move by Semangat, for fear of the young wife being grabbed by somebody else," Shabery said.

He was responding to newspaper reports quoting Nik Aziz as likening Semangat to a wife who was pining for her old flame. The state PAS commissioner also openly told Semangat to return to UMNO if Semangat missed its "old flame" so much.

Shabery said it was clear that PAS' outburst and move to amend the state constitution were purely to spite Semangat.

On Nik Aziz's statement that Semangat should just join UMNO, Shabery said: "That is up to Semangat to decide."

On Friday night, Shabery held a meeting with all state party leaders from the divisional committees, Wanita [women] and Youth wings and told them how PAS had allegedly gone back on its word.

He said PAS leaders had pledged to the Sultan of Kelantan that they would never amend the constitution to curtail the powers of the Ruler as the Federal Government had done.

State Semangat chief Datuk Rozali Isohak said Semangat would not hold roadshows to explain why it opposed the proposed amendments. He said such things, such as the ones being held by PAS, would further damage ties between the two.

"There is no reason to condemn our allies in public. It only worsens the situation," he said after a meeting between Semangat leaders and about 400 village heads here on Friday.

He said Semangat would try to meet Nik Aziz over the amendments.

Malaysia: Existence of Unity Front Pact Denied

*BK0605135896 Kuala Lumpur NEW SUNDAY TIMES
in English 5 May 96 pp 1,2*

[Report by Harris Iskandar Taib and Manisah Ismail]

[FBIS Transcribed Text] Kuala Lumpur, Sat — The opposition Angkatan Perpaduan Ummah [APU, or Islamic Unity Front] coalition, which rules Kelantan, does not exist as there is no formal agreement binding the component parties, Parti Melayu Semangat 46 [S46 or Malay Party of the Spirit of 46] president Tengku Bazaleigh Hamzah said today.

He said there was no registered organisation going by the name of APU, which comprises PAS [Pan Malaysian Islamic Party], S46, Hamim [Hizbul Muslimin Party] and Berjasa [Malaysian Islamic Council Front], and that the coalition was only an informal agreement.

"APU does not exist. There is no registered organisation bringing together all the component parties. It is just a name that binds the members in an informal arrangement.

"There is no formal agreement among us, although we have prepared one, because PAS refused to sign the agreement," he said.

Razaleigh was commenting on statements by Kelantan Menteri Besar [chief minister] and PAS consultative council head Datuk Nik Aziz Nik Mat suggesting that S46 pull out of APU and rejoin UMNO [United Malays National Organization].

He was speaking to reporters after chairing the party's supreme council meeting at its headquarters in Desa Pandan today. All but a handful of the 35 supreme council members attended the meeting, among them, party vice-president Datuk Zainal Abidin Zin, secretary-general Datuk Abdul Manan Othman and Information chief Ahmad Shabery Chik.

The meeting discussed two issues: the PAS Government's move to amend the State constitution to limit

the powers and immunity of the Malay rulers, and Razaleigh's recent meeting with UMNO president Datuk Sri Dr. Mahathir Mohamed.

On the proposed amendments, Razaleigh said S46 would not only oppose it but "walk out", if PAS went ahead with the amendments, if they were similar to those passed in Parliament.

"Even if we walk out it will not be the end. A new Government (in Kelantan) will not be formed until the Menteri Besar obtains the consent of the Sultan [ruler] of Kelantan to drop S46 members from the executive council.

"For as long as he (Nik Aziz) does not do that, we (S46) are still there."

Asked if S46 still considered PAS an ally after accusations thrown at one another as a result of the disagreement with the proposed amendments, Razaleigh said:

"We are still together in Kelantan. The reason the controversy arose was because of PAS — they said they wanted to amend the constitution and we said we wanted to have a look at it first.

"Why don't we discuss it first (the amendment) ... maybe we don't even need to amend the constitution if another solution can be found."

He said a meeting with PAS was necessary as S46 did not know the contents of the proposed amendments nor their intentions.

"I believe the leadership of PAS themselves has not discussed the matter, because information received from Kelantan revealed that the legal adviser had yet to prepare the amendments."

S46, Razaleigh added, would also like to know what PAS meant by citing palace interference as a reason for proposing the amendments.

"They claim that there has been palace interference, but they refuse to explain what those interferences are."

He also described PAS as inconsistent, questioning why the party was now fighting to introduce the Bill — the same one it had earlier rejected.

"Why did PAS have to wait so many years? We were given an assurance that this was not going to happen. Why do they want to bring them (the amendments) before the State Assembly now?

He said PAS was not consistent in that its assemblymen in Terengganu and Kedah had rejected the amendments after it was passed by Parliament.

"These are the same amendments they are bringing to Kelantan ... I don't understand what PAS is all about

because they themselves are not consistent on their stand, because previously they said there was no need to bring it (the amendments) to Kelantan."

On talk that Razaleigh may join UMNO on May 11 as the party celebrates its 50th anniversary, he said he had no such plans.

S46, he added, would also be holding a small celebration to commemorate the anniversary, in which it would launch its homepage on the Internet.

He confirmed receiving an invitation to attend the UMNO celebrations but has yet to confirm his attendance.

"We will give an element of surprise."

Razaleigh said he would also welcome another meeting with Dr. Mahathir.

"I am hoping to meet Dr. Mahathir again. We'll probably talk of things happening around the world which we did not have time to discuss at the last meeting."

Meanwhile, in Kota Baru, Kelantan S46 liaison chief Datuk Rozali Isohak said arrangements had been made to enable the other APU component members to attend an APU co-ordination committee meeting soon to discuss the proposal.

"We (S46) firmly believe that the present rift (between S46 and PAS) over the matter can be solved through musyawarah (discussions)," he added.

He also hoped that PAS leaders would stop passing remarks at S46, especially about the latter leaving the APU pact, as such action would only aggravate the situation.

He was speaking after a closed-door meeting with State S46 leaders at Balai Islam in Lundang last night.

Also present were Ahmad Shabery, Kota Baru MP [member of parliament] Lani Isahak, State S46 liaison secretary Senator Mohamed Zain Mat Daud and Machang MP Datuk Shukri Muhammed.

Meanwhile, Ahmad Shabery said S46 was firm in its stand in opposing the proposed amendments.

"Yet, S46's objection [to] the proposal is not to [the] extent that the party is [pre]pared to leave APU and become the opposition in Kelantan," he added.

On PAS' claims of interference by the Kelantan palace in the State administration, Shabery said such allegations should be substantiated with evidence.

"If it is true that the State Government has difficulties in administering the State because of palace interference,

they should tell us in what aspect and what are the issues.

"If it is the expo issue, a matter which can be dealt with by the Tumpat District Council. If it concerns contracts, it is up to the State Government to give or not to give. There is no need to amend the constitution," he added.

Menteri Besar Datuk Abdul Aziz Nik Mat, during a ceramah [political lecture] at Taman Desa Rahmat two days ago, he said that his problems with the Kelantan palace were very grave and he had had enough of palace interference in the State administration.

However, he said he did not want to make things worse by revealing them.

Malaysia: Islamic Party To Apply Federal Amendment Bill to State

BK0605143096 Kuala Lumpur BERITA HARIAN in Malay 6 May 96 p 1

[Report by Kamarudin Mat Akib]

[FBIS Translated Excerpt] Kuala Lumpur, Sunday — Today PAS' [Pan Malaysian Islamic Party] Central Committee on Politics and Elections Committee held a special meeting and approved the decision by the PAS Kelantan State government to use the Federal Constitution amendment to limit the state ruler's power.

The committee, which held a three-hour long meeting at PAS Conference Center at Taman Melewar, decided that PAS should administer the state more effectively.

Hadi Awang, PAS vice president, explained how the implementation of the decision will depend on the wisdom of Datuk Nik Abdul Aziz Nik Mat, the Kelantan state chief minister.

Addressing reporters after chairing the special meeting, the PAS vice president said: "The Kelantan state government will be tasked with executing the implementation of such a decision."

The special meeting was also attended by Hasan Shukri, another PAS vice president; Mustafa Ali, the party treasurer; Mohamed Sabu, acting PAS youth Wing leader; and Subky Latif, PAS Information Chief. [passage omitted on Nik Aziz 26 April statement on utilization of federal constitution amendment].

Singapore

Singapore: Taiwan's MAC Head Arrives, Urges Cross-Strait Talks

OW0705090696 Taipei CNA in English 0827 GMT 7 May 96

[By K.L Yang and Flor Wang; received via Internet]

[FBIS Transcribed Text] Singapore, May 6 (CNA) — Mainland Affairs Council Chairman Chang King-yuh reiterated calls here on Monday [6 May] for the resumption of cross-strait talks, saying the door to negotiation is always open as long as the Republic of China [ROC] is concerned.

Chang made the remarks while giving a speech to the local Chinese community at a dinner hosted in his honor by the Singapore-Taipei Trade and Commercial Association.

In addition to technical talks, Chang said Taiwan and Mainland China should exchange opinions on policy issues. "All these moves reflect Taiwan's goodwill and sincerity," he noted.

The basic problem between the two sides of the Taiwan Strait is the difference in systems and the way of life, which Chang said cannot be resolved by military means.

Although Beijing launched a series of military exercises against Taiwan and verbal attacks on President Li Teng-hui since last June, Chang said the ROC Government still remains committed to promoting bilateral exchanges by further relaxing restrictions on visits by mainland professional personnel to Taiwan.

Citing government statistics, Chang said two-way trade between Taiwan and Mainland China totaled US\$22.5 billion last year. More than 30,000 Taiwan firms have invested in the mainland and poured in some US\$28.3 billion there, while the number of cross-strait trips has topped eight million.

Calling on the two sides to cherish the fruit brought about by exchanges over the past eight years, Chang stressed that "We should adopt a far-sighted attitude to deal with cross-strait ties and to redouble our efforts to build a peaceful environment conducive to the realization of the future goal."

Chang, who arrived in Singapore earlier in the day for a two-day visit, will fly to Thailand on Wednesday. He is scheduled to return to Taipei on Thursday.

Singapore: Taiwan Navy 'Friendship Flotilla' Makes Port Call

*OW0705142796 Taipei CNA in English
1125 GMT 7 May 96*

[By Yang Kuo-lung and Benjamin Yeh; received via Internet]

[FBIS Transcribed Text] Singapore, May 7 (CNA) — A friendship flotilla of the Republic of China [ROC] Navy made a port call in Singapore on Tuesday [7 May] after a five-day cruise.

The fleet, comprising two Perry-class guided-missile frigates and a logistics support vehicle, entered the port at 9:00 A.M. to the hearty welcome of Taiwan business people and Chinese community leaders in the city-state.

Also on hand to greet the flotilla were ROC Representative Chiu Chin-Yi, Deputy Representative Li Po-fen, and their spouses.

After hearing a briefing by the Navy officers, Chiu said he was proud of the three vessels, all built by the state-run China Shipbuilding Corp.

Despite a lack of official diplomatic ties, Singapore has maintained a long-standing friendship with the ROC. Taiwan has helped train Singapore military units under a project code-named "Starlight."

It is the first time that "the Cheng Kung" and "the Chi Kuang" frigates, with about 1,000 officers and sailors on board, have taken part in the routine long-distance training project. The flotilla was open to public viewing prior to its departure of Taiwan's southern port of Kaohsiung on May 2.

With a displacement of 4,000 tons, the frigates are equipped with a sophisticated radar system, artillery, torpedoes, US-made MK-13 missiles, and locally developed Hsiung Feng II anti-ship missiles. The ship can also carry two anti-submarine helicopters.

The ROC Navy placed an order for seven such frigates with the CSBC in 1979 as part of its "Kwanghua No. 1" second-generation warship development plan to beef up Taiwan's naval defense capabilities.

Cambodia

Cambodia: Hun Sen Addresses Medical Workers

*BK0705074796 Phnom Penh National Radio of Cambodia Network in Cambodian
1300 GMT 27 Apr 96*

[Speech by Cambodian Second Prime Minister Hun Sen at a medical school graduation ceremony in Phnom Penh on 27 April—recorded]

[FBIS Translated Excerpt] [passage omitted in which Hun Sen congratulates 451 new nurses, lab workers, and physiotherapists on their graduation] I heard cries and groans among you just now, when his excellency the minister of public health said that this is the last year we are going to sign up school graduates and that this practice will be discontinued as of next year.

On this point, I would like to take this opportunity to raise for review a mistake I made, a mistake that was difficult to avoid and a mistake that I will never repeat. More than two years ago I made a big mistake against the nation, against the students who had graduated from school, and against the international community—be it the UNDP [UN Development Program], the IMF, or the World Bank, which took part in Cambodia's administrative restructuring. In particular, I feel I made a mistake in the civil administration's reform because I signed the approval for the inclusion in the administrative structures existing under the Paris agreement of many more appointees than UNTAC [UN Transitional Authority in Cambodia] had agreed to accept. This was the mistake that kept me awake during the recent [Cambodian] New Year.

In fact, the plan of the Paris agreement—that is, its projection for the administrative restructuring—did not take into consideration the increase in the number of cadres proposed by the political parties or former factions. The former State of Cambodia began the process of reforming the administrative mechanism as of 1986-87, when we put an end to the practice of nepotistic recruitment by which brothers chose their own brothers and uncles chose their own nephews to fill vacancies. Instead, we kept these vacancies for students returning from overseas studies and for graduates of local colleges, universities, and vocational schools.

Based on that, the Paris agreement called for the revision of the existing administrative structure and, first of all, the number of soldiers, policemen, and civil servants. UNTAC personally supervised the financial apportionment and distribution, for it feared we would disburse and allot more money than necessary and would use these functionaries to influence the elections.

In the spirit of the agreement and based on the form of civil administration discussed and adopted by the UNDP and IMF since the time of the SNC [Supreme National Council], this civil administration was going to be downsized. Unfortunately, based on the sense of national reconciliation and being aware of the needs of a number of political parties, I made a big mistake by enrolling nearly 20,000 persons into the civil administration. I thought that these persons were indispensable. After I signed them up, however, I discovered that they did not come from any civil administration but were ordinary people. Hence, the advent of junk teachers. OK, I could take the junk teachers, but the junk medics were unacceptable because they might give lethal shots to their patients. [laughter]

So, that was my mistake. Because of this mistake, graduates from schools and those returning from abroad later on could not find any work because we had already allowed nearly 20,000 persons to fill up vacancies. I do not mean soldiers or policemen but cadres in the civil administration. Therefore, this was the mistake I made, and for this I would like to apologize to the compatriots, to the unemployed graduates, and to those already trained with vocational skills but have yet to find jobs. I also apologize to the IMF and UNDP for not only failing to downsize the civil administration but for greatly expanding its ranks instead, thus creating a bottleneck to various studies and vocational training courses [words indistinct] and to their career advancement.

I would, therefore, like to take this opportunity to publicly express my apology for the mistake I made. This mistake resulted from a lack of synchronization between a sense of responsibility and the principles of the Paris agreement, the principles of the consensus regarding the number of government officials, and the principles regarding the different categories of these officials.

I also apologize to various former factions. I need to raise this subject again so that we understand each other with regard to the common requirements and to say that I will never sign any more appointments, who ever he may be. If need be, each appointment should proceed through the correct channels, through proper competitions held on an equal footing with due respect for the common requirements established for administrative posts. I raise this question because the sons of some officials who have graduated from schools abroad are currently applying for employment, and their names are being submitted to the prime ministers for approval. I beg you to please not send their names to me. Send them to the proper bodies.

Suppose a doctor has graduated from a school overseas and wants to join the Public Health Ministry. He must contact the Public Health Ministry and sit for the ministry's examination. Only in this way can we avoid mistakes. I am not afraid to practice what I preach. Any files reaching me will stay there. They will not get out. Mark my words. Otherwise, there can be no fairness between local and overseas graduates. We must have them both sit for the same examination [words indistinct].

So, I apologize to all of you and pledge that I will never repeat the same mistake again. I already stressed on 12 April that I would not sign any appointments to the administration against the common requirements. From now on, anyone who wants to be the governor of a city, province, or district should be a graduate from the Royal Administration School. Why bother to open such a school if it can be bypassed? [passage omitted on need to attend and graduate from the Royal Administration School]

There have been scams in which political parties have tried to enroll members by promising them government posts. From today onward, it should be emphasized that there will be no such thing as getting an official position merely by joining a political party. Our young people should be reminded that no such promises by any political party will be honored. [passage omitted dealing with importance of good health and duties of the medical graduates]

The assignment of what we call medics is not confined to hospitals only. It should also cover the rest of our community. Talking about this makes me even more remorseful. At a time when we need more teachers, more medics—especially rural medics—we instead find no vacancies for the graduates because we have already filled the vacancies with untrained, unschooled personnel appointed by the political parties. This is extremely regrettable. I have great remorse over this. If at that time I had signed up only 1,000 appointees to the incumbent civil administration, there surely would be some 20,000 vacancies left for the new graduates and doctors. It is too late for this, however; I cannot reverse what has been done. [passage omitted: Hun Sen thanks volunteers for medical work in his Krang Yov development zone and gives tips on how to promote public health and human rights]

A handful of swindlers are currently traveling far and wide urging foreign countries to cut aid to Cambodia so that the Royal Cambodian Government [RCG] will cut down its dictatorship! I do not know what they mean, but they charged recently that Hun Sen was consolidating power through rural development. I completely do

not understand that. What should I do as a prime minister or even just as a political party leader? Should I merely write newspaper columns, merely talk and talk, or should I act?

At this moment, this hour, I have already finished the construction of 202 school buildings within just 15 months, or 1,010 classrooms [words indistinct]. I have freed from hardship 50,000 boys, girls, and youths, giving them schools to which they can go. I was much distressed coming here today. That was the reason I kept turning to and talking to His Excellency [H.E.] Chea Sophara, Phnom Penh first deputy governor. I told him I wanted to repair this school; however, I was informed that the Asian Development Bank is going to repair it. So, I am not interfering. [passage omitted on Hun Sen's desire to refurbish the medical school and his other construction projects]

I talked a little about power yesterday. We must understand what is called power. I have not done anything more than what the Constitution, what the law, stipulates. Neither have I spent more than the budget permits. Moreover, I have never used the national budget to finance any of my pleasure trips. You can verify this by closely checking the accounts and allotments. Not a cent of the national budget has been spent on the construction of my 202 school buildings. In 15 months I have spent more than \$5 million to build school and monasteries without touching the national budget.

Charitable persons both at home and abroad have given me a large amount of money because aid through Hun Sen has no leaks. The contributions on my birthday alone have helped me complete the construction of 20 school buildings. This is because people know that this guy does not want Mercedes-Benz or Toyota cars or Rolex watches, that this guy does not want jewels or diamonds, and that he wants only schools. So they give him schools. That was why I did not spend a cent from the national budget on the 20 school buildings that were given to me. [passage omitted]

What is power? It is the people's trust in your words. No one will trust you if you keep changing your words. If no one trusts you, [words indistinct]. No one will trust you, even if you are the provincial governor.

Power is the reality in your words. You must dare to do what you say, dare to accept your mistakes, and to say it is right when you are right. If your words are respected, that means you have power. It means that you have no power if no one listens to you. That should be made clear. I have done nothing beyond the limits of my power. Some have lied, saying that they can give official appointments to others, but their words could no longer be trusted when these people failed to receive

appointments. They then complained that they had lost power.

This is hard to understand. It is why I want to talk about the meaning of power. If you want others to listen to you, you should do what you say. Always be true to what you say. There is, however, another kind of power, let me tell you—a power that I can use within the constitutional framework. Now let us see how many more hours are left? The time now is 0900. Alas, my watch! It is 0905. The watch sleeps when its owner sleeps. That is why my wife refuses to give me a new one. It sleeps when the owner sleeps. It is 0905—no, 0915!

So, today at 1430 in Paris, they will stage another demonstration against us. I do not know why. Anyway, I just want to say that a demand should be made only within the framework of the Constitution and that nothing should be asked beyond what the Constitution permits. Should you demand to dissolve the National Assembly or the government or to damage the Constitution, Hun Sen wishes to declare that military force will be used to destroy you. You are not allowed to destroy the Constitution at will. If you dare to damage the Constitution, you should not forget that Hun Sen will use military force. What Hun Sen dares to say, he dares to do, and he has the forces to do it. Don't forget.

It is O.K. if you only demand what is defined in the Constitution. All in all, you should come to see with your own eyes the concrete situation in Cambodia and what exactly is being done here.

You demand respect for human rights. Do you not see anything here at present? You want the right to call back Pol Pot to chop off your head, don't you? You see, now even newspapers have the rights to insult the king.

The other day, as I was unwilling to give an interview, I accompanied a Belgian to Krang Yov. He was unable to jump over a canal there in order to follow me. I then said to myself that that guy does not know democracy in the countryside. He does not know what the people need. At that time, I told him in the presence of some students that what the rural people need is the right to develop their areas and to have wells, canals, roads, bridges, hospitals, and schools built. It is not the right to hurl insults at each other in Paris, Belgium, Washington, or Phnom Penh.

Some people want to dissolve the Constitution and National Assembly before the 1998 general elections. I wish to tell you that only a military coup has the right to dissolv????????????????????????????????W stage the coup, howe ver, I will deal with you severely. Do not forget. I will act, and I have the forces to do it.

I only protect the Constitution. I am not afraid. This Constitution and this National Assembly are not for you to dissolve like a joke.

The Constitution clearly stipulates that the term of the National Assembly is five years and that the National Assembly cannot be dissolved before its term, except when the government is deposed twice within a period of 12 months. In that case, the prime minister and the assembly chairman should propose to the king to dissolve the assembly in order to organize elections. You should look clearly at the Constitution. I do not want to be awkward, but you should look clearly at it. If you are still unclear, you should look at it over and over again.

While the people are in need of development, they play the politics of wishing to dissolve the government and the assembly in order to organize new elections. You should not try to organize the elections if you have less than \$20 million. A lot of money should be spent to organize elections. So, there will be no elections before the assembly's term expires. Do not get too excited.

You can make your demand in France, but never try it in Phnom Penh. Be careful! I will act. I will use military force to deal with you. I am not going to stage a coup d'état, but I should act to oppose a coup that aims at dissolving the Constitution. I have forces, and I will act to [words indistinct] because force is needed to protect the Constitution. I only strive to protect the Constitution. I will not stage a coup. Instead, I am opposed to a coup. If a coup takes place, I will immediately act. At this point, I am only talking about an attempt to dissolve the National Assembly or the government or to act against the Constitution.

They say I am powerful. Yes, my power is here. If you commit an offense, I will use force to deal with you according to the law. I am not wrong. I will be wrong if I stage a coup d'état to topple the throne. If, however, I only act to protect the throne and the Constitution, I am doing nothing wrong. Only those who act against the Constitution are wrong. So, I just want to warn you. If anybody here wants to they can telephone and tell those in Paris that they should not overreact. They will demonstrate in Paris today at 1900 local time.

Your Excellency from France [addressing an official], you should telephone and advise them not to overreact. They must never go too far.

I will do everything within the power given to me by the Constitution. I am empowered to give orders to the Army and Armed Forces to protect the Constitution. This is my power.

Before something happens in Paris, someone should telephone Paris and tell them. Surely they are going to replay my tape at 1100 or 1200 before going out. So, tell them. They demonstrate in France and they also want a demonstration to be staged in Phnom Penh as well. So I wish to tell you not to forget that if you have the right to demonstrate, other people also have the right to demonstrate. Hun Sen also has the right to lead a demonstration on behalf of a political party. You should never forget that. If you use your right, you should not forget that others will use their right too. If you have the right to demand the dissolution of the government or the National Assembly, I also have the right to lead a demonstration to protect the Royal Government of Cambodia [RGC] and the Assembly from being dissolved early. This should be perfectly clear.

Journalists, please tape this carefully and write it down clearly in order to prevent distortion. If AFP or UPI reports this, it should point this out clearly. Please do not exaggerate. You should report that I will certainly use force to protect the Constitution. The Constitution allows to me to act against a coup d'état, secession, and others. So, I should act according to the law. I will do nothing against the law.

I do not know who will act and what will be done. If you want to try, however, please go ahead. I have already prepared everything. I just want to tell you this because of my generosity. I am already completely prepared. This is the fifth time that I have declared the use of force if a coup d'état is carried out to dissolve the Constitution.

Moreover, early elections, which are not allowed by the Constitution, are not necessary because the people are in need of political stability. We have done a lot of things over the past three years, and the spirit of national reunification is fine. Nonetheless, what we have achieved has now become a present for the Khmer Rouge. I accuse nobody, but this has brought about a very harmful impact.

Nothing significant has been achieved, but the people are already divided. This is why I always appeal to them to stay calm. If politicians bicker, the people and those at the lower levels should not quarrel. The politicians should be left to play with each other.

Moreover, with my remarks that \$20 million at least should be spent if elections are organized, a (?pro-Khmer Rouge) group spread propaganda in the United States that Hun Sen does not want the elections to be held in 1998. I said to myself that this is another offense. I wish to say that the elections should take place as scheduled. They cannot be held before or after

the schedule. This is my official stance and the official stance of the Cambodian People's Party [CPP].

What you should do in preparation for the elections is to give up your extra nationality now. Otherwise, you will have no right to run in the elections. This should be made clear so that there will be no more doubt about it. I raise this because journalists kept asking about it on Wednesday. Recently, at around 2000, the CAMBODIA TIMES called me and asked: Samdech, what about the nationality law? I said: It is passed. It will surely pass if the RGC has submitted it. I signed it together with the prince krompreah and have already submitted it to the National Assembly. It should pass.

Concerning its passage, it would not need to be submitted to the National Assembly at all if the government had the power to create law. The government, however, does not have the power to create law. It is empowered only to draft the law. The National Assembly must approve it. It is the National Assembly. And if everything [words indistinct] like the government wrote and submitted to the National Assembly, there would be no need for the National Assembly to do so. The National Assembly would merely discuss if there were anything missing. Certainly, there might be the question of single or dual nationality.

In the government, the cabinet did not discuss this question of single or dual nationality. It only discussed what requirements were needed to apply for Cambodian nationality. This included permission for foreigners to acquire Cambodian nationality—that is, for foreign investors. For instance, what amount of money should they invest, how long should they stay here, and what qualifications should they fulfill before applying for Cambodian nationality? They may apply for Cambodian nationality, so that we can attract more funds and the technology needed for national reconstruction.

Another point is that there are only three conditions for anyone to apply for Cambodian nationality. First, he must have a clean criminal record issued by the court of his former country. Second, he must be in good physical condition, having contracted no contagious diseases, such as AIDS. Third, he must have contributed a fund of 1 billion riel to the national budget. Some people at the cabinet meeting said that we should not set too many conditions and that the requirement to contribute \$1 million or an equivalent of 2,500 million riel should suffice to acquire our nationality. The prince krompreah and I were of the opinion that this was not acceptable, because any ruffian, drug dealer, or other criminal would certainly come to apply for Cambodian nationality. They would not hesitate to give us even \$10 million, let alone \$1 million.

So, the prince krompreah and I agree on this point. First, someone who wants Cambodian nationality must have a clearance letter from the court. This is because anyone—even government officials wanting to apply for a job—must have court records to show whether they have ever been convicted of any offenses. Second, he is to have no communicable diseases. We can check his blood if this is in doubt. Third, he must have made a contribution. We regard this contribution only as a part of the qualifications. The most important thing, however, is that we want him to come to our country and bring along investment funds and technology for developing our country. For example, a tycoon from Hong Kong or Taiwan or any other country—Australia or the United States—comes to Cambodia bringing along \$20 million to build a factory that helps to provide jobs for 200 Cambodian workers. What should we do? We should discuss whether or not to admit him and not whether he should have single or dual nationality.

When this matter reaches the National Assembly, however, and the National Assembly sees that it is necessary to clearly determine the nationality issue, then it should go ahead and determine it. It will then be something else for the RGC. As a matter of fact, the CPP and I support the idea that politicians must have only one nationality in the elections.

I am afraid that whether or not the elections are postponed will depend merely on whether or not you dare to give up your extra nationality and adopt the election law. That is the problem. The grace period should come to an end. It should be enough. Do not let the grace period extend to 25 or 50 years. There is only a five-year term for this two-headed government. Therefore, the grace period for having dual nationality should also last only five years. It should end. This is because the question of single or dual nationality for politicians has been raised since August 1991 in Phatthaya during the discussion of the Paris agreement. I led our former State of Cambodia in the negotiations at which it was proposed that those running in the elections must have only one nationality. Later on, however, after repeatedly examining this matter, we agreed that the situation did not seem to be appropriate for some of the brothers to make the minimal sacrifice of relinquishing their foreign nationality because there was then no real stability, no assurances that our country would have the necessary peace to hold elections. Forcing them to relinquish their foreign nationality seemed to be too cruel. Now, however, the seven-year grace period should be enough—after the two years between 1991 and 1993 and the five years from 1993 to 1998.

Your Excellency Di Narongrit, [state secretary for public health], are you ready to give it up? What? Any

time? Thank you. That is the correct attitude. Only when a politician has just one nationality can he tackle problems with equity. Why should this unfortunate business befall only Cambodia? So, it is time this grace period ends at the 1998 elections. Hence, those who worry that Hun Sen will not hold the elections in 1998 can stop worrying. As far as I am concerned, my worry is that you guys would not dare to renounce your foreign nationality, for you will have to make the choice between staying here and going back to the United States, to Australia, or to any other foreign countries. Do not let the transitional period last too long. It should last for just five or seven years. This two-headed government itself is to be only five-years-old. One term should be enough. You must be able to stand on your own feet by now. Do you not have a house to live in now? If you do not have a house, you must have a hotel room to live in, right? You look well established, right? Some of you should have been satiated. You have become rich very quickly. You should be satisfied with what you have amassed. You have mansions and you change cars like changing clothes. I believe that should be enough for you to renounce your foreign nationality.

Cambodia is unique. Anyway, its uniqueness has been known for a long time. Fighting, killing, and so on are no strangers to this land. The two-headed government is also unique. It is totally different from others. In addition, the practice of having politicians with dual nationality is also unique, unknown in most other countries.

The French ambassador frankly told me that in Africa—France has close contacts with Africa—there are very few Africans with French nationality who are in the government. It is only in Cambodia that you can find so many French nationals working in the government.

So, I have to say this. If you are bold, if you really want to be responsible for the fate of the nation, you should be a good sport in the eyes of the people. You should be bold enough to tell yourselves you have only one passport, you have only one choice.

As a matter of fact, you should also understand that I have no choice. Like Israel, either I live or I die. That is all. This is because I have no where else to go. I do not have dual nationality. I have been cursed and called a Vietnamese puppet. I must straighten this out. If I flee to Vietnam, I might not be allowed to stay there because I do not hold Vietnamese nationality.

Even in travel, there is a difference between an official holding a Cambodian passport and another holding an Australian passport. When they have to travel in the same delegation, the official with the Australian passport will use his Australian passport to go to Australia while

the one with the Cambodian passport has to sit and wait for a visa from the Australian Embassy. The one with the Australian passport just leaves for Australia without having to wait. So that is unfair. They should thus give up their foreign nationality and become truly Cambodian nationals.

As for true Cambodians, it is not easy for us to renounce our nationality. Only by putting both feet on just one land can you be truly identified, and you do not have to pay taxes to foreign countries either. Pay whatever taxes you owe to Cambodia. Do not spend your money on foreign taxes just to get retirement pay. You pay foreign taxes because you are going to get foreign retirement pay.

When I say all this, I do not mean just any particular political party. This is because in the CPP there are also political appointees who are foreigners, who hold foreign nationality—sorry for calling them foreigners. I have already talked to H.E. Van Molivan and to H.E. Thao Pengleat, urging them to renounce their French nationality, to give up dual nationality. I said: If you do not do that, the CPP would not allow you to run in the elections; nor would it give you any important posts.

[words indistinct] the nationality law may pass because no one has yet talked about the qualifications of the candidates. [words indistinct] Now, for example, if it stipulates that all dual-nationality Cambodians are eligible to run, then Vietnamese with dual nationality will also be eligible to run. They have an equal right. The Chinese with dual nationality will also have the same right. Is that correct? This is because we are talking about allowing foreigners to hold Cambodian nationality. If Cambodians with U.S. nationality have the right to vote, Americans with Cambodian nationality will also have the right to join the elections. There can be no partiality since they are all permitted to have dual nationality. In the future, Cambodia would then see generation after generation of foreign descendants, and the Cambodian parliament and government would be full of half-blood foreigners. [passage indistinct]

Only politicians will be required to have single nationality. I do not mean that brothers who are not politicians should also have single nationality. I stress, Cambodian brothers in France, the United States, and so on can retain their foreign nationalities if they are not politicians. The same thing happens in foreign countries. You can keep your Cambodian, French, U.S., and other nationalities, but you must relinquish all your foreign nationalities once you become a candidate with testimonies from the French court, the U.S. court, the Australian court, and so on, attesting that you have already relinquished Cambodian nationality. [words indistinct] so that you

would not run away when there are troubles. Only in this way can there be true responsibility.

Some have wondered why Hun Sen submitted the nationality bill. Yes, I was the one who initiated the bill, who led the debate. The prince krompreah led half of the debate. When he left for France, I led the other half. Both of us signed it and forwarded it to the National Assembly. At that time, however, we did not discuss the determining qualifications for candidates. For this reason, even some CPP members have misunderstood Hun Sen's position. Just wait until after passage of the nationality law. The nationality law describes who is permitted to become a Cambodian national and who is a Cambodian national. It has yet to deal with who can be an MP, who can be a minister, and what qualifications a minister or a politician must have. If the National Assembly wants to add them to the nationality law, then add them, since the National Assembly is more powerful than the RGC. It is not difficult for the Assembly to do so. I second its move to add determining qualifications for MP's and politicians.

So, I believe that a delay in the elections may take place only if the MP's refuse to pass the law, only if they are afraid to give up dual nationality and refuse to adopt the election law.

I would, therefore, like to declare my official stance: The elections must be held on schedule, neither earlier nor later. This is my official stance. Dissolving the National Assembly, holding snap elections, is against the law, against the Constitution. If you resort to a coup d'etat, I will immediately use my power against it. If the elections are held later than scheduled, I am not worried as far as either Hun Sen or the CPP is concerned. My only worry is that those with dual nationality would refuse to relinquish their foreign nationality and to pass the election law.

All this must be made clear. If others have the right to express their views, I too have the right to express mine. Of course, I am talking to medical workers, but medical workers are also Cambodians. I believe that those of you who do not have dual nationality would not like to see your leaders let you down and run away. Right? And the general public, too. If we have to eat grass, rice gruel, or noodles, let us eat them together. We should share weal and woe with each other. It is not desirable to have leaders who join in only when it is time to eat good things, such as noodles, and who quickly run away when people are forced to eat rice gruel. This is not fair. I want to make that clear.

Moreover, virtually every bad thing is being blamed on Hun Sen. Hun Sen has got all the blame over the past few months. Some other people would quarrel

with one another; oh dear, and poor old Hun Sen would be blamed as the instigator. Even the king himself said in Paris a few days ago—no, he did not personally say it, for her majesty the queen and Prince Kromkhum Norodom Sihanoni asked H.E. Ambassador Hor Namhong to phone me to say that they were not his majesty the king's remarks but insinuations by the press—the king was reported to have said that H.E. Hun Sen is very intelligent and that he knows how to make use of the smart tactics of divide and rule. I was incensed when I first read about it. After receiving clarification from Paris, however, I told H.E. Hor Namhong to inform their majesties the king and queen I know that the press always do that, always write things like that.

Splits between other people are always blamed on Hun Sen. I just do not understand. What sins have I committed? Just wait, soon enough those pro-Khmer Rouge groups will write in their newspapers to detail such and such imaginable sins of mine.

Some have quarreled among themselves and split into factions since they were on the Thai border. They have divided into two parties. Even during the elections when [UN representative] Akashi was still here, that party had already fragmented. That same party, however, told France-Inter in France that the party would not have split without Hun Sen's support for certain persons. How funny. You split because you were at the border and because Akashi was here, and you blame it on Hun Sen! Hun Sen talks to and supports anybody who sympathizes with Hun Sen. Hun Sen has that political right. If you keep blasting at Hun Sen all the time, how can Hun Sen like you? Hun Sen wants to associate with those he likes. At least that is his right.

Another party was also afflicted with internal bickering and split within three months after it was founded. Hun Sen was also blamed for the split. My goodness, I have to make this clear. You guys are hopeless and worthless. You should clean up your own act first. Let us take the example of a fighting couple. If the couple quarrel, they should never blame the in-laws. They should blame themselves. Let us be frank. I never blame anyone else. I always admit it is my fault when I am not on good terms with my wife. I always tell my wife it is my fault because I felt moody on that particular day. When I see that my wife is not smiling, I always ask to know what I have done wrong that day. I then ask her right away: What is wrong? When she answers that she does not feel well or has a headache, I massage her scalp for her.

These people are worthless. They are divided beyond repair, and they have the audacity to blame it on others. The RGC calls the Khmer Rouge rebels. There is a

party that is also known to be given to calling its own members rebels. First, they joined hands in setting up a new party. Three months later they split into two rival groups, each calling the other rebel. They blamed all of that on Hun Sen! [passage omitted on Hun Sen's philosophy of life]

It is better for all of you guys to learn from the CPP. I do not wish to become your professor, but you should learn from the CPP. You have said that Chea Sim and Hun Sen have been divided since 1985. In 1996, a decade later, Chea Sim and Hun Sen continue to stay together. It was rumored that Sar Kheng wanted to seize power from Hun Sen. The CPP fears no such thing. The question of succession has already been settled since 1987. We already know who will become what when any one of us is gone. We are unlike you guys. Let us make this point clear. Learn from us if you want to go somewhere and be somebody.

You have boasted that you did this or that. In reality, however, you experienced nothing but failure. You could not agree even on sharing the money among yourselves. If this is hopeless for you, why do you not learn from the CPP? I bring all of this up because this is a good opportunity for me, for I have been given the microphone and you know, the people know, how much I am attracted to the microphone.

As I have said before, it is very easy to beat Hun Sen. To beat Hun Sen is as easy as peeling a banana. It is more difficult to assassinate him. Maybe it is not that difficult, but it is still not easy since you might fail. Likewise, it is more difficult to stage a coup. Toppling Hun Sen is easy, however; simply achieve more than Hun Sen. You cannot topple Hun Sen by bragging, for Hun Sen has already done a lot of good things for the people. [words indistinct] you must recognize the historic truth about the lives of millions of people. If you do not, because of the lack of this historical truth, you cannot succeed in whatever political undertakings you may embark on. [passage omitted on what CPP has done to the nation and what Hun Sen has done in national construction]

Now let us talk about democracy. The issue of democracy and upcoming elections must be tackled from now on. Let us do everything so that the country has political stability and peace and the people have better living conditions, thus creating a firm basis for all of us to hold elections in 1998. We must have the election law ready to allow would-be candidates to prepare themselves financially as well as intellectually. Let them learn more about how to make lies to the voters [passage indistinct].

Indonesia

Indonesia: Officials on Ujungpandang Unrest, New Demonstration

BK0605083096 Jakarta REPUBLIKA in Indonesian 5 May 96 p 1

[Unattributed report]

[FBIS Translated Text] Ujungpandang — Ujungpandang college students held a fresh demonstration at 1200 Central Indonesian Standard Time yesterday (4 May). They demanded that the National Commission on Human Rights comprehensively investigate violations committed during the Ujungpandang incident.

Hundreds of college students gathered in front of the second campus of Indonesian Muslim University under scorching heat. Their action broke the calm that had gradually returned to Ujungpandang. The action caused a traffic jam along Urip Sumoharjo Avenue, where the campus is located. They shouted their demands.

"We encourage our fellow students to demand that an investigation team and the National Commission on Human Rights seriously look into and comprehensively settle the matter so the deaths of our friends will not be in vain," said a student who took part in the demonstration.

Security personnel looked more restrained in handling the demonstration, which lasted about 90 minutes. They were on alert far away. They rerouted city transport vehicles to other roads to ensure smooth traffic.

A REPUBLIKA source at the Criminal Investigation Unit of the Ujungpandang police confirmed via telephone last night that college students had staged a fresh demonstration. The source said, however, that their numbers were small, the demonstration did not last long, and the calm that had gradually returned to Ujungpandang was not affected. "We gave them understanding," the source said.

The source did not know the precise motive for the demonstration beyond attributing it to student demonstrations against higher city transport fares that began on Wednesday (23 April). Those demonstrations left three college students dead and several others injured, according to the official count.

According to information gathered by REPUBLIKA regarding the earlier demonstrations, the Ujungpandang police are looking for 10 college students believed to have masterminded the demonstrations. The 10 college students belong to the Free Indonesian Student Forum (FPIM). The 10 college students were the first to submit their demands to the South Sulawesi governor's office

on Monday (25 April). Eight of them are Laode Ota, student of the Engineering Faculty of the Indonesian Muslim University; Muhammad Ayub (Engineering Faculty of the Indonesian Muslim University); Ramon (Engineering Faculty of the Indonesian Muslim University); Wahyuddin B. (Alauddin State Islamic College); Asmirad (Economics School of the YPUP [expansion unknown]); Rini Savitri (Law Faculty of the Indonesian Muslim University); Usman (Economics Faculty of the Indonesian Muslim University); and Idul Fitri (Medicine Faculty of the Indonesian Muslim University). According to the source, the other two led the demonstration in front of the governor's office, but their identities are not yet known. The authorities arrested six people (two college students and four ordinary citizens) during the riots.

Several students who were contacted confirmed that the authorities are conducting a manhunt. Consequently, they are very cautious when dealing with outsiders, including journalists. "You know, we are being hunted everywhere. We will hide until there is a clear legal process," said a college student who is being hunted.

Colonel (Police) A. Hasanuddin, chief of the Ujungpandang police, denied that the police are looking for the students believed to have masterminded the demonstrations. "We are just provoking them. Even if they were being hunted, that would be normal. They led a movement. We want them to feel guilty for instigating the riots," said the chief of the Ujungpandang police. Lieutenant Colonel (Finance Corps) Drs. [academic title] Mokhtar Darise M.S., chief of the Information Service of the Wirabuana Seventh Military Region Command, confirmed that several students were being hunted because the investigation team wants to question them.

Meanwhile, Lieutenant General Syarwan Hamid, chief for sociopolitical affairs of the Armed Forces of the Republic of Indonesia [ABRI], has refuted findings by the National Commission on Human Rights regarding the Ujungpandang incident. "It is not true that the security apparatus committed excesses. We reiterate that the security apparatus employed persuasive means during the incident," he said during a political dialogue entitled "The Military's Role and Position and the Present and Future Political Formats" on the campus of the 10 November Technology Institute in Surabaya on Saturday (4 May).

Professor Dr. Baharuddin Lopa, secretary general of the National Commission on Human Rights, has been quoted by several media outlets on the commission's findings on the Ujungpandang incident. Based on such data as pictures of armored personnel carriers inside the campus, blood stains in classrooms, and information

given by the victims themselves, the National Commission on Human Rights believes the security apparatus went too far during the incident. Nevertheless, Lopa admitted that the findings must still be verified.

Replying to a student's question about Lopa's statement, the ABRI chief for sociopolitical affairs said the ABRI had no policy of beating students. "That would amount to suicide," he said. Outside the dialogue, the ABRI chief for sociopolitical affairs reaffirmed that the ABRI relied on persuasive means in dealing with all matters. According to him, the ABRI has consistently given priority to persuasive means.

Despite reaffirming the ABRI's persuasive means, the ABRI chief for sociopolitical affairs admitted that if action by some security personnel had caused casualties during the Ujungpandang protests, it could have been triggered by conditions at that time. "For example, you try to employ persuasive means to deal with a situation, but you receive bad treatment in return — even threatening your life. What do you do? Of course, you will eventually have to defend yourself," Syarwan said.

The ABRI chief for sociopolitical affairs assured the nation that action would be taken against any ABRI personnel who committed mistakes. According to him, such action will be based on the extent of their mistakes.

On the findings of the National Commission on Human Rights, the ABRI chief for sociopolitical affairs expressed the ABRI's respect for the field findings. "Nevertheless, are the findings of the National Commission on Human Rights final? We need clarification," said the ABRI chief for sociopolitical affairs.

College students held a demonstration in Yogyakarta yesterday in a show of solidarity with fellow college students involved in the Ujungpandang incident. About 200 students from various colleges in Yogyakarta held an open forum in front of the campus of the Sunan Kalijaga State Islamic Institute.

Indonesian Army on 'Presumptive' Reports on Ujungpandang Unrest

*BK0705080696 Jakarta MERDEKA in Indonesian
7 May 96 pp 1, 7*

[FBIS Translated Excerpt] Jakarta, Tuesday, MERDEKA — Lieutenant General Syarwan Hamid, chief of sociopolitical affairs of the Armed Forces of the Republic of Indonesia [ABRI], has expressed regret over presumptive reports on the Ujungpandang riots that have created the impression that the ABRI perpetrated violence in handling the incident.

"The unbalanced reports are very dangerous. It was very cruel of journalists to write reports with disregard for the nation's future," Syarwan said before chief editors and journalists at the Department of Information in Jakarta during the afternoon of 6 May.

The ABRI chief for sociopolitical affairs was accompanied by Major Gen. Syamsir Siregar, head of the ABRI Intelligence Agency; Maj. Gen. Suwarno Adiwijoyo, assistant for sociopolitical affairs to the ABRI chief for sociopolitical affairs; Colonel Sutan Iskandar, deputy head of the ABRI Information Service; and Col. Adityawarman, head of the Public Information Section of the ABRI Information Service. The Department of Information was represented by Subrata, director general for press and graphics development. Sofyan Lubis, general chairman of the Indonesian Journalists Association, and Tarman Azzam, chairman of the Greater Jakarta chapter of the Indonesian Journalists Association, represented the mass media.

According to Syarwan, the ABRI has no intention to cover up the Ujungpandang incident, and there was no instruction for soldiers to commit violence against students.

"It was illogical to say that ABRI soldiers came out of their barracks and beat up college students. Obviously, some parties have exploited the situation, and press circles should not be influenced by their tactics," Syarwan said.

He said the ABRI and college students are two important pillars of national development. Peace in the nation is for everybody, not the ABRI alone.

Maj. Gen. Syamsir Siregar, head of the ABRI Intelligence Agency, said the ABRI felt that it had been tarnished by the reports on the Ujungpandang incident, which gave the impression that the ABRI had beaten up, assaulted, and killed students. [passage omitted]

The head of the ABRI Intelligence Agency urged all parties to place national interests above everything and reminded certain parties not to aggravate the situation. He said some 40 ABRI personnel were being questioned about the Ujungpandang incident. [passage omitted]

Indonesia: Red Cross Team: Irian Jaya Hostages in 'Good Condition'

BK0705102796 Jakarta MEDIA INDONESIA in Indonesian 6 May 96

[Unattributed report — received via Internet]

[FBIS Translated Excerpt] Jakarta (MEDIA) — Yesterday, an ICRC [International Committee of the Red Cross] official and a doctor visited the 11 hostages be-

ing held by Irian Jaya GPK [security disturbance movement] since last January. Henry Fournier, ICRC chief representative for Indonesia, told a MEDIA correspondent: "The visit took place on Sunday and the doctor said that all the hostages were in good condition. One of the hostages is seven-months pregnant, and another has kidney problems. The ICRC team, however, was unable to meet with GPK leaders Kelly Kwalik and Daniel Kogoya.

When asked for information on the release of the hostages, Fournier said: "Up to now, we still cannot give a definite timeframe, but the ICRC continues to try and contact Kwalik." The ICRC will do its best to free all the hostages in the coming weeks. When asked of the ICRC's chance for success in this endeavor, Fournier said: "Let us leave it to God."

Meanwhile, Moses Werror, chairman of the OPM [Free Papua Movement] Revolutionary Council, denied reports that he and Matthias Wenda opposed one another over the authority to free the hostages. Werror said this in Madang, Papua New Guinea, in a long-distance telephone interview with a MEDIA correspondent last night. Werror said certain groups might have made false and sensational statements on Wenda's behalf that were aimed at driving a wedge among OPM followers and undermining OPM objectives. [passage omitted]

Indonesia: Military on Mediation Tactics for Irian Jaya Hostages

BK0705105696 Jakarta KOMPAS in Indonesian 7 May 96 p 14

[Unattributed report]

[FBIS Translated Excerpt] Ambon, KOMPAS — The security apparatus in Irian Jaya is monitoring the condition of the 11 hostages being held by the GPK-OPM [Free Papua Movement-security disturbance movement] in Geselama, Jayawijaya District. They are still in good condition. This has been confirmed by an International Committee of the Red Cross [ICRC] team that recently delivered medicine and other supplies to them.

Infantry Lieutenant Colonel Maulud Hidayat, head of the Information Service of the Trikora 8th Military Region Command, said this in Ambon on Monday (6 May) when he accompanied Major General Dunija, commander of the Trikora 8th Military Region Command, on a working visit to the area.

The security personnel are also monitoring the kidnappers' activities to see if they transfer the hostages; however, Maulud said this is unlikely because the thick jungle will make it impossible to mobilize the hostages.

and one of them, Martha Klein, is seven-months pregnant.

On the readiness of one of the GPK leaders — Mathias Wenda — to mediate efforts to seek the release of the hostages, Maulud said his offer needs to be studied. In particular, we would like to know whether Wenda's influence is so strong that he would be obeyed by the leaders of the kidnappers.

"If there is someone who claims to be a GPK leader and who is willing to be a mediator in this case, we would investigate the person first. We do not want a recurrence of the Mozes Werror case, who claimed he was a GPK leader, but in fact his call for the hostages' release was not endorsed by other GPK leaders," Maulud said.

When asked who the current GPK supreme leader was, Maulud said the ABRI [Armed forces of the Republic of Indonesia] deems the movement's supreme leader as the person who holds the reins.

Maulud explained: "Irian Jaya is made up of several regions or ethnic groups that virtually have their respective tribal chiefs. [passage omitted on background report on hostage-taking since 8 January]

Indonesia: Airline Opens New Routes to Malaysia, Singapore

*BK0305015896 Jakarta KOMPAS in Indonesian
3 May 96*

[Unattributed report — received via Internet]

[FBIS Translated Excerpt] Kuala Lumpur, KOMPAS — Merpati Nusantara Airlines opened a new international route linking Jakarta with Kuala Lumpur on Tuesday (1 May) and will open a new regional route linking Medan with Singapore on Thursday (3 May) [dates as published]. Indonesian workers, who are a captive market [preceding two words in English], will occupy 40 percent of the 90-seat Boeing 737-200 aircraft Merpati Nusantara Airlines will use on the new route to Malaysia.

Including the two new routes, the subsidiary of Garuda Indonesia now serves 12 cross-border and international routes. Among the routes are Denpasar-Port Hedland (Australia), Kupang-Darwin (Australia), Balikpapan-Tawau, Surabaya-Johor Bahru (Malaysia), Jakarta-Kuala Lumpur (Malaysia), Bandung-Singapore, Pakanbaru- Singapore, and Pontianak-Kuching. [passage omitted]

Laos

Laos: Australia Announces Aid for Clearing Unexploded Bombs

*BK0705033196 Vientiane KPL in English
0917 GMT 6 May 96*

[FBIS Transcribed Text] Vientiane, May 6 (KPL) — The Australian government will provide a grant of U.S. \$1.6 million to assist with clearing unexploded ordnance in Lao PDR [People's Democratic Republic] and to ease the hardship of people affected by flooding last year. The U.S. \$1.6 million package of emergency assistance will bring total Australian assistance to Lao PDR over the past year to more than U.S. \$1.3 million.

The Australian emergency grant was announced by Mr. Laurie Engel, the assistant director general responsible for East Asia Programmes in the Australian Agency for International Development (AUSAID).

Mr. Engel formally provided the United Nations resident coordinator, Mr. Jan Mattsson, with Australia's contribution of U.S. \$230,000 to the United Nations Development Programme trust fund for unexploded ordnance (UXO) at a ceremony of 26 April 1996. Also present were representatives from the Lao Ministry for Labour and Social Welfare.

In announcing Australia's contribution to the UNDP UXO trust fund, Mr. Engel said Australia was very pleased to assist Lao PDR reduce the devastating effects of unexploded ordnance, particularly on rural people. Currently, someone is killed or maimed every few days in Lao PDR by ordnance left over from the 1960s and 1970s. Australia is confident the trust fund will help support valuable activities that will reduce these casualties.

In addition to the contribution to the UNDP UXO trust fund, Australia's package of emergency assistance included U.S. \$930,000 in emergency food aid to people in Bolikhamsai and Khammouane affected by the serious flooding last year and U.S. \$450,000 to a famine mitigation programme in Savannakhet Province to be conducted by World Vision-Australia. This assistance is expected to begin before the end of April.

During his visit to Lao PDR, Mr. Engel also held useful discussion with Lao government officials regarding the Lao- Australian development co-operation programme and visited Australian aid project sites in Savannakhet Province.

Philippines

Philippines: APEC Business Forum Scheduled for Nov

*BK0705063096 Manila PNA in English
1026 GMT 6 May 96*

[Report by Armando L. Malapit - received via Internet]

[FBIS Transcribed Text] Manila, May 3 (PNA) — Some 450 top chief executive officers (CEOs) of private businesses from 18 Asia-Pacific Economic Cooperation (APEC) member-economies will meet November in Manila to discuss and propose viable APEC-wide projects.

The three-day APEC Business Forum (ABF), is being organized and hosted by the Philippine private business sector in response to President Fidel V. Ramos' initiatives to enhance private sector involvement in the APEC process.

The Forum's agenda includes a plenary session on the APEC Business Advisory Council (ABAC) report, sectorial interactive sessions and an informal session with Foreign and Trade and Industry Ministers of APEC countries.

Prior to the November APEC Business Forum, four preparatory meetings — one each for SMEs [Small and Medium Enterprises], Technology and Telecommunications, Capital Markets, and Large Infrastructure Projects — will be held in the Philippines.

The pre-Forum meetings will be devoted to reviewing sector-specific issues and projects which can be decided upon at the Forum. The four meetings will be conducted in May, July, August, and September.

The output of each meeting will be forwarded to all country delegation, the ABAC, the Senior Officials Meetings and the Ministerial Meetings by end-September 1996 for integration into the agenda of the ABF, Ministerial Meetings, and the APEC Summit.

An APEC report said the ABF is being organized by the Philippine business community through the newly-created APEC Foundation of the Philippines, Inc., a non-stock, non-profit organization.

The Foundation was initiated by the heads of the Makati Business Club (MBC), Management Association of the Philippines, Federation of Filipino Chinese Chambers of Commerce and Industry, PBEC [Pacific Basin Economic Council]-Philippine Committee, PLDT [Philippine Long Distance Telephone Co.], Phinma Group, San Miguel Corp., Ayala Corporation, and Far East Bank and Trust Company.

Heading the Foundation as chairman and CEO is PLDT Chairman and former Foreign Affairs Secretary Roberto Romulo, with Foreign Affairs Secretary Domingo Siazon, Jr. and Trade and Industry Secretary Rizalino Navarro as Advisory Board honorary co-chairmen.

Makati Business Club executive director Guillermo M. Luz serves as the Foundation's Chief Operating Officer.

Philippines Editorial on MNLF Order for Manhunt of Abu Sayyaf Leader

BK0705070296 Manila THE MANILA CHRONICLE in English 30 Apr 96 p 4

[Editorial: "Boosting the peace process"]

[FBIS Transcribed Text] The surprising manhunt ordered by the Moro National Liberation Front (MNLF) for Abu Sayyaf leader Abdujarak Janjalani and his close aide, Commander Radullah Sahiron, cannot but renew public confidence in the peace process.

This is crucial now because hopes for a negotiated peace that would pave the way for a better investment climate in the troubled land of promise have dimmed somewhat. The latest news reports from Mindanao, specially on sporadic bombings in the cities of Zamboanga and Iligan and the province of Basilan, and frequent gun-battles between the military and Moro Islamic Liberation Front (MILF), are fuelling fears of a renewed war as devastating or worse than the armed debacle in the 1970s. Because of this, investors who could help develop Mindanao are shying away.

The move to have Janjalani and his close aide arrested dead or alive also shows that the MNLF is serious about forging a negotiated peace with the government. It cannot but boost the stock of the Muslim secessionist group at the negotiating table and place its cause for justice for the Bangsa Moro peoples on high moral ground.

It is hoped, however, that such a move will bear fruit. It is easy to order anyone's arrest, but getting it done is something else. It is now up to the MNLF to show that its manhunt is nothing more than a mere bluff or publicity stunt meant to lull its protagonists at the negotiating table into a false sense of complacency. It must catch Janjalani and his aide, dead or alive, as ordered.

And that is only one of a series of steps necessary to help forge that much sought-after peace. There is still much to do and a long way to go before that comes about. But the MNLF manhunt for Abu Sayyaf leaders is one crucial step in that direction.

Philippines: Abu Sayyaf Reportedly Reinforces MILF Fighters in Basilan

*BK0705063496 Manila MANILA STANDARD
in English 28 Apr 96 pp 1, 2*

[Report by Ross Ejansantos]

[FBIS Transcribed Excerpt] Zamboanga City — Bandit groups that included the Muslim extremist Abu Sayyaf group have reportedly reinforced the beleaguered fighters of the Moro Islamic Liberation Front (MILF) being tracked down by government troops in the hinterlands of Tipo-Tipo, Basilan Province.

Military intelligence reports disclosed that the 120-man band of MILF commander Handa Zapanton got a boost in firepower and men from bandit groups coming from villages of Sumisip Town.

But the Armed Forces Southern Command (Southcom) remain unperturbed by the reported reinforcements the MILF was able to draw from other lawless groups in the island province.

"We are prepared and we have enough troops on the ground to match whatever strength they have now," Southcom spokesman Maj. Fredesvindo Covarrubias said yesterday.

The military admitted earlier that it has difficulty pinning down the rebels because they have adopted a guerrilla-type of warfare and has the advantage of knowing the terrain where the skirmishes have taken place.

To flush them out from their mountain redoubts, the military shelled the suspected rebel strongholds.

"There will be no let up in the ongoing operations against the MILF rebels so that they will be denied of any opportunity to harass and molest the civilians in the area," Covarrubias said.

Over a thousand villagers have fled their homes in two barangays [villages] in Tipo-Tipo where the hot pursuit operation is ongoing. [passage omitted]

Philippines Military Views MILF Ability To Stage Major Attack

*BK0705070096 Manila MANILA STANDARD
in English 30 Apr 96 pp 1, 2*

[Report by Dona Policar]

[FBIS Transcribed Text] Despite the reported buildup of forces and arms of the Moro Islamic Liberation Front (MILF) in Lanao del Norte, the military belittled yesterday the rebel group's capability to launch a major attack in the province or in any other place in Mindanao.

Brig. Gen. Raul Urgello, chief of the 6th Infantry Division, described as failures all the attacks staged by MILF rebels which led to several gun-battles with government troops in different places in Mindanao.

Just the same, however, military troops — particularly in Lanao del Norte and nearby provinces — were placed on double alert to counter any attempt by the MILF group which has left former strategic positions in Cotabato, Maguindanao, and Sultan Kudarat.

Military sources said the bombing of a jeepney last Saturday that resulted in the death of two children may have been the first of a series of terroristic activities the MILF planned to launch against civilians and military in Lanao del Norte.

It has been reported that armed men in groups of at least 40 have been seen roaming the seven towns of Lanao del Norte.

The military previously said there were more than 1,000 MILF rebels who were shifted from Lanao del Norte to Sultan Kudarat to beef up their offensive against military troops stationed in Sultan-Sa-Barongis.

But military sources believe the 1,000-strong MILF group returned to Lanao del Norte after the military and the MILF in Maguindanao and Sultan Kudarat forged an informal truce.

The military also said the attacks the MILF planned in Lanao del Norte were meant to avenge the death of two MILF commanders, Masauna MD Disinon and Pinakangan Masangki, during a recent encounter with the military.

Urgello said the failed MILF attacks have "affected the MILF hierarchy and their sympathizers."

Urgello cited the week-long encounter between MILF rebels and government troops at the Malmar [Malitubog-Maridagao] area last April 13. That failed attack had a "very devastating effect" on the MILF forces, Urgello said.

Still, Urgello said the military was not dismissing the MILF threat outright. "They (MILF rebels) are well armed, they can shift, disperse, and concentrate forces around their target places. They also have a good propaganda machine and they are being supported by civilians," he said.

Philippines Intelligence Claims MILF Luring Military Into Jihad

BK0605074496 Manila BUSINESS WORLD in English 6 May 96

[Report by Carlo B.M. Santos — received via Internet]

[FBIS Transcribed Text] The Moro Islamic Liberation Front (MILF) may be luring the government into a jihad or Muslim holy war as military intelligence reports warned of massive rebel attacks on key areas of Maguindanao.

Military analysts told BUSINESS WORLD the MILF may be trying to bait the military into attacking mosques sheltering women and children to anger the Muslim population of Mindanao.

Armed Forces of the Philippines (AFP) spokesman Brig. Gen. Victor Garcia said intelligence reports show the MILF are still recruiting and training children 15-years-old and below and are holding training sessions for wives and children of MILF members since 5 April, directing them to proceed to mosques and use them as shelter and hospitals in case hostilities erupt in their areas.

"The recruitment of youths under 15 years of age is a stark violation of Article Three of the Geneva Convention. The MILF is enticing these youths through the prospects of owning their own firearm, joining the MILF and their eventual integration to the AFP, and the promise of regular pay," Mr. Garcia said.

The military also suspects MILF troops will use the mosques, their wives and children as shields during firefights with the military.

Military sources said if MILF use the mosques as sanctuaries the AFP will be placed in a precarious situation. "With the families of the MILF members also inside the mosques, there is a big possibility that women and children could die in an encounter. If this happens, Muslims may be angered by the 'massacre' of seemingly harmless Muslims praying inside their temple," a source said.

The source added that if women and children are killed, the fight between the MILF and the government may escalate into a jihad.

Philippines Police: ABB Influence Widespread in Metro Manila

BK0705040596 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 6 May 96

[FBIS Translated Text] There have been reports that the Alex Boncayao Brigade [ABB] is gaining widespread influence, particularly at the village level. It has been

alleged that the ABB already has influence in 14 villages in Metro Manila alone.

Here is Ira Panganiban with more reports.

[Begin Panganiban recording] Fourteen villages in Metro Manila are allegedly influenced by the dreaded Alex Boncayao Brigade hit squad or ABB. The ABB is also alleged to have 384 supporters, of whom 126 are organized and can be mobilized by the communist group in Metro Manila at any time.

These reports are contained in the newest book by the Philippine National Police, entitled THE ABB COMBAT FORCE, issued to its officials in connection with the activities of the ABB. The book also includes information on the seven new leaders of the group, namely: alias Rodel, commanding officer in Metro Manila who is alleged to have replaced Filemon Lagman, who was arrested last year; Vice Commanding Officer Virgilio Roxas; logistics officer Alexander Sorera; Gerardo Dacles, commanding officer of the South Partisan Platoon; (Basilie de Badian), vice commander of the South Partisan Platoon; Mario Macaraeg, commander of the East Partisan Platoon; and Wilfredo Batumbakal, commander of the North Partisan Platoon.

The reports also claim that the ABB also has operations to convince the village chiefs to join them. The reports further reveal that there are already 31 village chiefs and 19 councilors who have expressed support for the group and serve as their contacts in Metro Manila.

With cameraman Boy Sonza, Ira Panganiban, GMA Balita. [end recording]

Philippines Military Arrests Another ABB Leader

BK0605050496 Quezon City Radio Filipinas in English 0230 GMT 6 May 96

[FBIS Transcribed Text] The Philippine army announced the arrest of another leader of the Alex Boncayao Brigade [ABB], an urban death squad and military arm of the [communist] breakaway Manila-Rizal Regional Committee. Lieutenant Colonel Antonio Insiang Jr., the army's public information officer identified the captured ABB leader as Romeo Estropigan, an alleged political officer and secretary of the ABB semi-proletariat section and member of the ABB's political military department.

Estropigan—alias Jose Magcalas, Maynard, and Macdo—was arrested last Thursday at the intersection of Aurora Boulevard and Katipunan Road in Quezon City by joint elements of the army's intelligence and security group of the Central Police District Command and a presidential task force on intelligence and

counterintelligence. An army official report claims Estropigan is an ABB cadre involved in the training of ABB members of partisan activities particularly on liquidation operations in metro Manila. It also claims Estropigan acted as liaison officer between the ABB and the New People's Army General Command.

Philippines: Deputy Speaker Maintains LDP 'Intact'

BK0705080496 Manila THE MANILA CHRONICLE in English 30 Apr 96 p 3

[Report by Bella de Mesa and Rey Requejo]

[FBIS Transcribed Text] Deputy Speaker Hernando Perez yesterday said the Laban ng Demokratikong Pilipino (LDP) [Struggle of Filipino Democrats] is still intact contrary to reports it has been divided by a rift between the Cojuangco and Angara blocs.

Perez, who is also LDP secretary general, also clarified reports that Senator Edgardo Angara would be asked to step down from the LDP chairmanship.

"What I only said is that Senator Angara could voluntarily step down from his post to concentrate on his campaign plans in preparation for the 1998 presidential election," Perez said.

Meanwhile, Angara supporters yesterday downplayed the reported move of Congressman Jose "Peping" Cojuangco to oust Angara as chairman of the Laban ng Demokratikong Pilipino (LDP).

Rep. Edcel Lagman (Albay) told reporters that Cojuangco does not have enough support, even from among congressmen-members of the party, to oust Angara.

Lagman said Cojuangco does not have the support of deputy speaker and party secretary general Hernando Perez (Batangas).

"It appears that Congressman Cojuangco is really interested in the LDP chairmanship, but with the present situation now, Senator Angara still has the support from the majority," Lagman said.

Lagman also warned Cojuangco that a failed bid to oust Angara in a snap election of the LDP on May 31 would have a negative effect on the party.

However, Perez said that Cojuangco had been misquoted in a report that said he would accept party leadership if asked by members.

"What Cojuangco told us during our meeting last Saturday night at his residence was that he was not interested in running for the leadership of the party and

do not have any intention in challenging Angara," Perez said.

Meanwhile, a top LDP official accused Senator Heherson Alvarez of sowing "systematic" dissension within the party in a bid to destroy it.

Laban [LDP] deputy secretary general Enrique Zaldivar said Alvarez was merely "hallucinating" in claiming that 45 regional party leaders have agreed to push for a semi-primary system of choosing its 1998 standard bearer during the reported meeting of Laban "renegades" at the Dasmarinas Village residence of Peping Cojuangco.

Zaldivar pointed out that Alvarez's persistence at pushing for the semi-primary system of selecting the party's presidential bet only confirms the allegation of Laban founding president Ramon Mitra, Jr. that renegades were using the leadership issue to sidetrack the real agenda for the May 31 national congress — to ratify the break-up of the Lakas [Lakas ng Bansa — Power of the Nation]-Laban coalition.

"Senator Alvarez should either see a doctor or take a refresher course in arithmetic since reports said that one could count on his finger the number of party's members who met with Alvarez and Congressman Cojuangco last April 27," Zaldivar said.

The Laban deputy secretary general wondered where Alvarez got his figures since the media reported earlier that only Laban members who met with Cojuangco in Makati on Saturday were himself, Senator Gloria Macapagal-Arroyo; Deputy Speaker Hernando Perez; Representatives Amando Bagatsing, Teresa Aquino-Oreta, and Emigdio Tanjuatco; former Representatives Simeon Garcia and Renato Unico; Bongabon Mayor Renato Reyes, and two Santiago City officials who were brought along by Alvarez.

The Laban officials also claimed that some of those present during the Makati meeting had rejected any plan to destabilize the current Laban leadership and tear their party apart.

"Senator Alvarez's deliberate release of this erroneous attendance report proves that he is the one resorting to news management in a desperate bid to wreck the party," Zaldivar said.

Senator Ernesto Herrera earlier described Alvarez as the "closet-Lakas member" in the Laban, whose role is to sow intrigue among Laban members in a bid to weaken it.

"He (Alvarez) is actually behaving like a Lakas stalwart within the Laban," Herrera said.

Zaldivar pointed out that Angara has formidable grassroots support after 16 Laban congressmen led by Rep. Edcel Lagman, 13 regional Laban chairmen led by Senator Vicente Sotto III, and nine governors led by Camarines Sur Gov. Luis Villafuerte have assured Angara of their full backing.

Philippines: Lakas Candidate for Presidential Elections Viewed

BK0605065896 Manila BUSINESS WORLD in English 6 May 96

[Unattributed report — received via Internet]

[FBIS Transcribed Text] There is no room for "political imports" like Vice President Joseph Estrada in the Lakas [Power of the Nation] party. House Speaker Jose de Venecia said following reports that the ruling party does not have a strong contender for the 1998 presidential elections.

Mr. de Venecia said "it is good to be underestimated in political surveys" as "we operate from a base of humility." Instead of focusing on the 1998 polls, he said he would rather concentrate in assisting President Ramos "build the economy" and consolidate ties with parties such as the Nacionalista [Nationalist] Party, the Liberal Party, and the Partido ng Demokratikong Pilipino [Philippine Democratic Party].

Senator Sergio Osmena earlier urged Mr. Ramos to open Lakas to a coalition that will yield an unbeatable candidate such as Mr. Estrada instead of a "not so strong a candidate" such as Mr. de Venecia in the 1998 polls. The senator said the ruling party cannot afford to field the House Speaker because he is not doing well in surveys and is considered a traditional politician. "The same paint that stained former (House) Speaker Ramon Mitra has stained Speaker de Venecia," he said. But the House leader brushed this aside, saying "it is not good to have rapid rises and then suffer quick falls."

Philippines Column on Malacanang's Paring Down of News Conferences

BK0605081896 Manila BUSINESS WORLD in English 6 May 96

"My Cup of Tea" column by Ninez Cacho-Olivares: "The Press Has Not Delivered" — received from Internet)

[FBIS Transcribed Text] Malacanang has decided to pare down the presidential press conferences to just two a month, instead of weekly.

The reasons the Palace gave were that Fidel Ramos was overexposing himself and that, anyway, some of the questions from the Malacanang press group were inane.

Most media commentators didn't care, one way or another, that Malacanang took this stand on presidential press conferences.

Most, if not all, members of the Malacanang Press Corps, also known as the Malacanang Brat Pack, opposed the move. Many, if not all, didn't particularly like the Malacanang comment that some of the questions from the press corps were inane.

Immediately, the denials came. True, there were some inane questions posed by reporters during these press conferences. But they were quick to say that these silly questions usually come from visiting or "walk-in" journalists who don't have the foggiest idea about the local state of political and economic affairs.

It is this sort of journalists that waste the time of Ramos because their questions are general.

Members of the Palace Press Corps also say that more often than not, media people almost always have important questions to ask of the presidency during these press conferences. Also, they lay the blame on Ramos because he may not have any "earth-shaking" announcements to make, apart from the complaint that he has that tendency to take the long winded road to reply to a question — a reply, moreover, that does not answer the question.

I have, at times, tuned in on these televised press conferences and more often than not, I have found them a waste of time. There is nothing I learn by way of new information and, much too often, I find myself shaking my head in despair at the truly inane questions, asked, oh, so deferentially and subserviently, by many Palace reporters.

Palace reporters will vehemently disagree with my observations. To them, their questions are timely as they pertain to urgent matters that need presidential response or action. Besides, as one Palace reporter said, just who are these people making all these adverse criticisms in the first place if not the opinion makers in media who make the judgment by watching the press cons over TV. But as the televised coverage is just what happens during the press conference, word for word, wouldn't these "judgments" from opinion-makers be accurate?

The problem, the Palace reporter added, is that these critics seem to equate the press cons with something to amuse or excite the public.

As the critics are also members of the media and therefore know just what press cons are, surely they know better than to equate the press conferences as "something to amuse or excite" the public.

Also, it is not the media's duty to ask the president a question in the hope of eliciting an answer that would result in an immediate presidential response or action on an urgent matter.

But they do, which is probably the reason we read such stories as the president directing the PNP [Philippine National Police] to "go after the killers" or solve the kidnapping cases a day after a crime story breaks out. But geez! This is, presumably, already being attended to by the police force even before a presidential directive is issued.

Wouldn't such a question be considered inane? Besides, what other response do the media expect the President of the Republic to make?

The Palace stories then tend to become too predictable and too boring and, even worse, they end up as a retelling of yesterday's story.

Truth to tell, for a long time running, the Palace stories have degenerated into non-stories and non-events mainly because many of the Palace reporters don't bother to dig into anything new from well-placed sources. Or if they do have something fairly new and explosive, they appear reluctant to question the Palace tenant for fear of drawing his ire. Thus, they prefer to just get Ramos to comment on the news story of that day.

As a member of the press corps admits, "when a reporter raises a really tough question, he inspires awe among his colleagues for being gutsy enough," adding that the press corps is no "longer surprised upon finding out he had to do it (ask the tough question) because it was his editor's instruction."

Gee. An editor has to instruct his reporter of the premier beat to ask tough questions? Isn't that part of the reporter's job?

So why can't the brat pack ask tough questions on its own? Why should it be in awe of its colleagues for doing their jobs?

There have also been instances when some members of the press corps become much too protective of the presidency — almost to a point where they feel that the presidency must not be subjected to any kind of embarrassment.

Given this type of mindset, how on earth can the press corps do an excellent job of reporting?

When was the last time a Palace reporter came up with an honest-to-goodness on the presidency? When was the last time Palace reporters ferreted out damaging information — unknown to the public — with which they confronted the Palace tenant?

Admit it or not, Palace reporters have become much too lazy or much too in awe of the presidency to do a little sleuthing on their own. They seem to prefer sharing their notes with their colleagues and simply report what Ramos says during these conferences.

But surely, the job of a reporter is not just to report, as a matter of rote, what Ramos says or what the official Ramos line is. They can always make their reports more interesting by challenging presidential statements and back this up with facts that they can easily dig up, if they were more industrious and less in awe of the presidency.

Palace reporters say they don't care whether the exchange of views with Ramos is vibrant or not as long as they "get in the hard news that the newspaper readers expect."

What hard news is this? That the President has ordered the PNP to go after the criminals?

Precisely the point. The newspaper readers expect more and the press hasn't delivered.

Thailand

Thai Daily: U.S. Drug Charge Has No Affect on By-Election

BK0705034096 Bangkok BANGKOK POST
in English 7 May 96 p 4

[Editorial: "Chiang Rai Poll Makes Reform More Urgent"]

[FBIS Transcribed Text] The pictures tell the story. Arms aloft in triumph, a beaming Mongkhon Chongsutthanamani savours his election victory in Chiang Rai and contemplates packing his bags for the journey to Bangkok, where he will labour to honour his campaign promises to bring happiness and prosperity to the voters of Constituency 2. The Chat Phatthana victor in the May 3 by-election is likely to leave behind him a scene akin to the Wild West, with hired guns roaming the normally tranquil setting with a score or two to settle with canvassers who were supposed to have made sure that it was Samphan Loetnuwat, his Chat Thai rival, who was doing the packing.

The likelihood of post-election violence is high, according to Governor Khamron Bunchoet of Chiang Rai, who has had little to say on the subject except that it is very difficult to stop it. It will be interesting to see if the police escorts that accompanied the canvassers on their money-dumping rural rides afford them the same protection now the contest is over.

So here we have a scenario in which crime, in the form of election fraud, dictates the result of a poll, and

crime, in the form of murder, is expected to dictate the immediate consequences of the parliamentary contest. Apologists for what has evolved into a morally bankrupt electoral system may be quick to say this was just one poll in a remote corner and what is more, it was nothing unusual. It can be argued, however, that come a general election, there will be hundreds of contests in which incomprehensible sums of money will change hands and some will be held in reserve to exact retribution on the canvassers who did not spend their paymasters' money wisely.

Since Mr Mongkhon is an opposition MP, his departure to take up his seat in Bangkok cannot be seen as further evidence of the Government's failure to honour its bold campaign promise to bring about electoral reform and put people of good standing in Parliament. The point may be academic. In Chiang Rai, the political complexion of the candidates did not seem to be an issue among the voters, who admitted they found little to distinguish Mr Mongkhon from Mr Samphan other than matters of local influence.

When Mr Mongkhon arrives in Parliament, he will meet many old colleagues and share a dubious bond with a number of politicians who have been declared persona non-grata in the United States. It was Mr Mongkhon's uncomfortable distinction that induced Mr Samphan to pronounce publicly that he would not stoop so low as to adopt the campaign slogan Vote for Me, Not the Powder.

In announcing the restriction, the United States Embassy said in 1994 that: "...Mongkhon Chongsutthanamani was denied a U.S. visa under Section 212 (a) (2) (C) of the Immigration and Nationality Act. This provision prohibits the issuance of a visa to any person whom the US consular officer has 'reason to believe' is involved in illicit narcotics trafficking."

Without disclosing the factors behind the refusal, the visa ban may be considered an unfair and clumsy instrument that asks more questions than it answers. In its announcement, the United States affirms that a "well-founded reason" is sufficient to enforce a ban and it concedes "the indictment and conviction of a trafficker requires a higher standard of proof". What is not negotiable, however, is the right of the United States to bar whoever it wants.

Despite Mr Samphan's efforts, his rival's international distinction had little effect on the outcome. But what is clear is that Chiang Rai is a compelling argument for the political reforms pledged by the Government and supported by the Opposition because it serves as a reminder, as though any were needed, that elections, in their present form, are bad for law and order.

Thai Minister Piyanat Hosts Luncheon for Visiting PRC Minister

BK0505140196 Bangkok Radio Thailand Network in Thai 1200 GMT 5 May 96

[FBIS Translated Text] Piyanat Watcharaphon, minister attached to the Prime Minister's Office [PMO], hosted a luncheon in honor of Sun Jiazheng, Chinese minister of radio, film, and television. During the luncheon, Piyanat said that the Chinese minister's visit to Thailand was history-making in the mass media of both Thailand and China. The visit has strengthened relations between the two countries. Thailand and China have exchanged visits at various levels. There are currently numerous conflicts of ideas among countries, so each country has to find friends when dealing in international affairs. As a politician, Piyanat said he hoped that Thailand and China would cooperate in international affairs for their respective benefits.

Sun Jiazheng, Chinese minister of radio, film, and television, thanked the minister and officials of the Public Relations Department for the reception accorded to him and his delegation. He said his visit to Thailand has enabled him to understand the reasons Chinese leaders attach such importance to the friendship between Thailand and China, which should be cherished forever. The Chinese minister agreed with Piyanat that the two sides should use radio and television as tools to further develop the friendship between Thailand and China. He hoped it would enable the people of the two countries to understand the friendship between the two countries. He also hoped that it will be beneficial for the development of friendship in Asia and the world. The Chinese minister said he hoped the friendship between Thailand and China would last forever.

Thai Foreign Minister on 'Adjustments' to Moei River Bridge

BK0305045596 Bangkok BANGKOK POST in English 3 May 96 p 2

[Unattributed report]

[FBIS Transcribed Text] Thailand will make necessary "adjustments" to the already removed area on the bank of the Moei River to end the conflict which led to suspension of the friendship bridge construction, Foreign Minister Kasemsamoson Kasemsi said yesterday.

However, Thailand will not re-dig the area because it is difficult to adapt the causeway into its original form, he added.

"It's not a matter of re-digging, it's only an adjustment either by tightening or broadening the area," the minister

said, adding that if it was the Burmese side's requirement, "we will do it."

The minister's explanation on the stance was seen as an attempt to restart construction of the Thai-Burmese Friendship Bridge over the river linking Mae Sot District in Tak and Myawaddy in Burma.

He made the point on the eve of Deputy Foreign Minister Charat Phuachuai's visit to the site. Mr Charat, accompanied by officials concerned, visits the area today to find a way to break the deadlock.

Rangoon has made clear that construction will not be resumed until the man-made reclaimed area on the Thai side was removed and the causeway was made into the one it was before the bridge was built.

M.R. [royal title] Kasem reaffirmed that there's no conflict at the top levels of the two countries, but said only more "understanding" was needed to tackle the problem.

Thai and Burmese technical teams met with no progress early last month as a result of the visit by Prime Minister Banhan Sinlapacha to Rangoon in mid-March during which he and his Burmese counterpart Than Shwe agreed to assign teams to inspect the area before the bridge construction could be decided.

Thailand: Banhan, Burma's Than Shwe 'Expected' To Discuss Bridge

*BK0505111896 Bangkok THE SUNDAY POST
in English 5 May 96 p 1*

[Unattributed Report]

[FBIS Transcribed Text] Prime Minister Banhan Sinlapacha and Burmese military strongman Gen Than Shwe are expected to meet soon in a renewed bid to end the deadlock over construction of the Thai-Burmese Friendship Bridge.

Deputy Foreign Minister Charat Phuachuai said in Mae Sot District, Tak Province, yesterday that he expected the Foreign Ministry would arrange such a meeting between the two leaders within a month.

The deputy minister yesterday led a 15-member delegation comprising representatives from the Interior Minister, the Highways and Survey departments and Sombun Sa-ngiambut, the director-general of the Treaties and Legal Affairs Department, to inspect the bridge and areas under dispute.

He said if Mr Banhan and Gen Than Shwe, chairman of the State Law and Order Restoration Council, were able to reach an understanding, working officials from both sides would be able to solve the disputes. This, in

turn, would lead to resumption of construction on the bridge.

Construction of the 72-million baht bridge, financed by Thailand, was suspended by Rangoon in June last year. The bridge will link Mae Sot and Myawaddy and is expected to boost trade between the two countries.

Thailand had hoped the deadlock would end during the Prime Minister's visit to Rangoon last month. The two leaders agreed to send teams to inspect the area but no progress has taken place since.

A meeting last month of Thai and Burmese technical officials ended without any progress towards breaking the deadlock.

Burmese Ambassador to Thailand Tin Winn earlier said construction would not resume unless the root causes of the problem were resolved. This involved two things: the water channel in the Moei River which demarcates Thailand and Burma being restored to its original state before dredging by the Thai side, and the man-made reclaimed area on the Thai side being removed.

But Foreign Minister Kasemsamoson Kasemsi said this week that it would be difficult to restore the causeway to its original state.

He did pledge, however, that Thailand would make the necessary adjustments to remove the reclaimed area.

Mr Charat said to settle the problem all relevant parties on the Thai side must work together in harmony and reach a common stand; the same should happen on the Burmese side. Afterwards, the two parties must come together for talks to end the deadlock.

Asked whether construction could resume if the water channel in the Moei River was restored to its original condition, the deputy minister simply said if an understanding could be reached, first by the policy-makers of the two sides and then by their technical people, the problem could be resolved.

Asked about Burma ignoring Thai protests over the alleged construction of concrete embankments on the Burmese side of the river, Mr Charat simply said the problem should be handled by the technical officials. Any solution to the problem must be total and comprehensive, he added.

Thailand: Security Tightened Amid Crime Surge at Tak Border

**BK0705045696 Bangkok BANGKOK POST
in English 7 May 96 p 6**

[Report by Suphamat Kasem]

[FBIS Transcribed Text] Border security has been stepped up amid a surge in crime and a refugee influx following military assaults by Rangoon troops against the Karen National Union [KNU].

In two years, the number of refugees driven from Burma has increased from 40,000 to 70,000 in Tak and Mae Hong Son, and the KNU's military strength has been sapped by the defection of fighters to the Democratic Karen Buddhist Organization [DKBO].

Third Army Chief-of-Staff Maj-Gen Prasit Mongkhontham said the ruling State Law and Order Restoration Council [SLORC] engineered the formation of the DKBO to fight the KNU.

The DKBO, led by Phra Usuchana, acts as a policy maker, while its offshoot, the Democratic Karen Buddhist Army [DKBA], launches military operations.

Maj-Gen Prasit said the SLORC wanted Karen refugees repatriated for fear they would support the KNU if they remained in Thai camps.

According to Maj-Gen Prasit, the DKBA was ordered by the SLORC to intrude into Thailand to kidnap or kill KNU leaders in the camps to pressure the refugees to return home.

Although the targets of the attacks are Karens, many Thais, including businessmen involved in logging, have been robbed and kidnapped by Rangoon troops believed to be part of the DKBA.

The SLORC has denied any involvement with the DKBA. It maintains that religious differences caused Buddhist fighters to split from the mainly Christian KNU, and the two factions have since been locked in bitter conflict.

A Border Patrol Police source said the SLORC and DKBA have close ties.

Maj-Gen Prasit said fighting and incursions will cease when Rangoon troops gain full control over border areas.

The army has imposed a curfew on Karen refugee camps to prevent unrest, Maj-Gen Prasit said, but it is difficult to keep track of such a large number of refugees, many of whom are still outside designated areas.

Col [Colonel] Suwit Mamun, commander of the Fourth Infantry Regiment's special task force, said

more refugees have yet to be brought into the camps at Sho Klo and Mae La.

Driven by a lack of medical supplies and food, many refugees have fled the camps in search of work, he said. With many Thai villagers remaining close to the DKBA and KNU, they have refused to give authorities information about criminal activities the factions are believed to be involved in.

In some cases, villagers and the factions have interests in logging and the smuggling of livestock and labour into Thailand, Col Suwit said.

A factor in DKBA raids is a severe shortage of basic supplies which were normally provided by the SLORC.

Members of the KNU are thought to be selling weapons to other Burmese groups but in the meantime are using those arms to rob Thai villagers.

Col Suwit said security was being heightened during the dry season when a lot of bandits slip across the border using shallows in the Moei River.

Thai Editorial Urges ASEAN Agreement on Burma Joining ARF

**BK0505135696 Bangkok THE SUNDAY NATION
in English 5 May 96 p A4**

[Editorial: "Burma's Admission Will Cause Division in ARF"]

[FBIS Transcribed Text] Thai Foreign Minister Kasemsamonsin Kasemsri was the first senior ASEAN official to publicly support Burma's application for membership in the ASEAN Region Forum (ARF). The basis of his argument is that Burma is a member of Southeast Asia and will soon join ASEAN as well. Therefore, other non-ASEAN countries should not be concerned.

Thailand's position is understandable because it is the only ASEAN country that shares a common border with Burma. Since the ruling junta known as the SLORC (State Law and Order Restoration Council) came to power in 1988, Thailand has waged a lonely battle trying to end Burma's isolation by calling for continued engagement with the Rangoon government, largely ignoring the international boycott of Burma.

Obviously, it is in Thailand's interest to see Burma join the ARF and subsequently become a member of ASEAN. Should this materialise, Burma will have an opportunity to express itself in regional and international forums. In the process, it could learn to accept so-called international norms. It is hoped that through such exposure, the SLORC will be more open to implementing political changes.

With Burma part of the regional framework, Thailand is hoping that less pressure will be applied to it. The fact is other ASEAN countries have been engaging Burma. Singapore is a major investor and trading partner of Burma. The two countries have excellent ties and the island republic's presence is highly visible there. Nobody seems to be questioning Singapore's rational for moving so rapidly into Burma. As the old saying goes, it is business as usual.

Although all the ASEAN member countries are generally believed to be keen in admitting Burma into the ARF, none of them have really spoken out loud about the matter. For one thing, they have yet to convince non-ASEAN countries such as the United States and Australia, which are adamantly opposed to Burma's entry into the ARF, to support their position.

It does seem that ASEAN can now no longer entertain the idea that it will solely decide on what countries can attend the ARF meetings.

Last year, ASEAN recommended that Cambodia, and it was subsequently supported by the rest of the ARF's members, become a member of the forum. Despite its political and economic problems, the present government of Cambodia assumed power democratically through elections conducted in 1993.

In the case of Burma, however, without substantial improvement in the political situation and respect of human rights there, its status in the ARF will continue to haunt the relationship between ASEAN's members and its Western partners.

At the moment, Indonesia is preparing a report on the criteria to be used for determining ARF membership. This will be presented to the members' ministers for consideration in July in Jakarta. The guidelines, though, do not touch on the political conditions in a potential member country, which has been the bone of contention in the case of Burma.

What the ARF's members can do is to ensure that apart from geographical location, a lawful government accepted by its people must at least be one of the guiding principles for membership. Otherwise, the ARF will eventually become a forum that recognises rogue regimes.

We see the merits of including Burma in the ARF as it is located strategically between South and Southeast Asia.

But before admitting Burma, we have to be sure that the SLORC will not get away with its past and present atrocities.

There is a climate of fear in the country with the military junta having no qualms in putting down dissent ruthlessly.

Pressure on the junta will only be effective if there is a common approach by all ARF members. This may be the only way to deal with Burma. To let Burma's status in the ARF drive a wedge between the ASEAN and non-ASEAN members of the ARF would only satisfy the military regime there.

Thai Embassy Officials Denied Access to Thais in Lao Prisons

BK0705045996 Bangkok THE NATION in English
7 May 96 p A6

[Report by Kunlachada Chaiphiphat]

[FBIS Transcribed Text] Vientiane — Laos has been ignoring requests by Thai Embassy officials and relatives to visit Thai nationals currently held in Laotian prisons, a Thai consular official here said.

The Thai Embassy in Vientiane has filed several letters with the Foreign Ministry's Department of Consular Affairs inquiring about the fate of Thai nationals in jail, but responses have been few, the official said.

The lack of response is in spite of an agreement reached during the fourth meeting of the Thai-Lao Joint Commission in 1994, reaffirmed at the fifth meeting in 1995, on the reciprocal treatment of prisoners, the official said.

Under the agreement, both countries will comply with international practices related to prisoners and the judiciary, including providing access to prisoners, mutual notification when a national of one country is arrested and faces trial in another, and judicial system transparency. Thailand also faces the same problem with Burma, Cambodia and Vietnam, where the justice systems are not well-established. However, Vietnam and Burma have lately been more responsive to requests for the lenient treatment of jailed Thai nationals.

While delayed responses in Laos may be attributed to lack of manpower and a complex system through which such requests are processed, the official expressed the hope that Laos would be more forthcoming, given the excellent relations between it and Thailand.

The embassy has no direct access to the Laotian Interior Ministry's Department of Overseas National Protection, which has the final say on requested visits or information. All requests must be lodged with the Foreign Ministry's Department of Consular Affairs which will pass the request to the Interior Ministry for final approval.

According to the official, Laos has never informed the embassy when Thai nationals were arrested. In most cases, the embassy learned about the arrests of Thai nationals from their relatives. Over the past year, the embassy has received over 15 letters from relatives of Thai nationals believed to have been imprisoned in Laos. Some letters complained about a lack of proper legal treatment.

The embassy estimated that over 40 Thai nationals, both charged and uncharged, are in jail in Laos. Among the charges were illegal entry, drug smuggling and crimes involving the smuggling of Laotian people.

Most of the prisoners are from Thai provinces bordering Laos. "If there was good cooperation on this matter at the provincial level, many serious cases could be averted", the official said.

He added that there was no standard practice in dealing with people charged with illegal entry, as the cases depend on the policy of each province. Some were released upon paying a fine and those who could not afford the fine were sometimes faced with unlimited jail terms, despite the light offense. Laos has yet to allow inspection visits to its prisons by the International Red Cross Commission.

Thai Editorial Urges Worldwide Ban on Use of Land Mines

BK0605041896 Bangkok BANGKOK POST in English 6 May 96 p 4

[Editorial: "Thailand Should Push for Ban on Landmines"]

[FBIS Transcribed Text] Last week's decision to tighten the rules on use of landmines was a step in the right direction. The 55-nation Geneva conference outlawed undetectable anti-personnel mines which have slaughtered thousands of Cambodians, Afghans and others in recent years. This seemed a small achievement to many delegates. They pointed out, rightly, that mines will continue to be made, and deployed. Specifically permitted are landmines with at least eight grammes of metal (and thus theoretically detectable) and self-destructing mines.

The disappointment by many delegates is understandable. Every 20 minutes, someone is killed by a landmine, or maimed, painfully and horribly. No country has been harder hit by mines than our neighbour Cambodia. Buried just under its soil are more than 7 million mines, roughly one per citizen. Each month, 300 Cambodians are killed or injured; one in every 236 persons is an amputee from landmine explosions.

The issue of whether to ban landmines worldwide should no longer be in doubt. All governments and all thinking citizens must support such a ban. They must work towards a landmine prohibition sooner rather than later. The Geneva agreement was not a setback, as some activists believe, but represents forward movement.

It is important Thailand join this current. Our own citizens have been landmine victims both during the 1970s insurgency and as a result of Khmer Rouge, Vietnamese and other minefields at our borders. One way for Thailand to join the call for a landmine ban is to push for another meeting on the subject quickly. Many Geneva delegates noted sadly that no new forum on landmines is scheduled for another five years. There is no reason for this. In fact, negotiations on landmines should be held annually or more, until a ban is achieved, and Thailand should press for this.

Mines have killed more people than all the nuclear bombs, chemical and biological weapons in history. This is only part of their horror. Their victims are most likely to be completely innocent — and completely defenseless — women, children and the aged. There is not a battle or a war in history influenced by these weapons. Like the great walls of Asia and Europe, mines have failed spectacularly in national defence. The difference is that when you walk on the Great Wall of China, you experience some sense of history; when you walk on a mine, you experience death or maiming.

This is why many of the world's leading military men are turning against mines. The chief of the U.S. military, Gen John Shalikashvili, said recently he favoured eliminating all anti-personnel mines. Prominent former commanders Norman Schwarzkopf and John Galvin now advocate a total ban.

There also have been refreshing cases of reconsideration. The British minister David Davis stated harshly six months ago that those who campaigned against landmines were anti-military. Such persons, he said, wanted to "sacrifice our armed forces on the altar of political correctness." Having thought it over, however, Mr Davis said last month that he and the British government both want a total ban. Welcome, Mr Davis; you deserve full credit for continuing to think the problem through.

As of now, at least 31 countries favour a landmine ban. A cynic would note they include such countries as Australia, Canada and Switzerland, whose soldiers have not recently suffered invasions. The skeptical must look deeper. Colombia opposes landmines because so many of its people have been crippled in a civil war. Our neighbour and friend the Philippines, which has struggled with two major insurgencies, is on the list.

So too, of course, is Cambodia. "Cambodia is worried and disappointed by the result of the conference," said Phnom Penh's foreign ministry spokesman Hor Sothun. "As a main victim of landmines, we expected more significant results. We would have expected a total ban."

Cambodian officials have called for an international campaign against mines along the line of the battle against drugs trafficking. It is probably unrealistic to expect a "war against mines" for the moment. It is equally unrealistic to demand soldiers give up what they view, and believe, are effective defensive weapons.

Governments have a duty to join the growing campaign against landmines. They are the major makers, buyers and users of mines. Governments must weigh their duties to all their citizens. Those who ignore the movement to ban mines are certain to stand accused of ignoring the plight of their own innocent civilians. For this reason, our government must take a stand against use of landmines. Thailand should be in the forefront campaigning for an eventual worldwide ban on these weapons. Remaining silent on this issue is no longer acceptable.

Thailand: By-Election Results in Chiang Rai, Surin Reported

**BK0405115896 Bangkok THAILAND TIMES
in English 4 May 96 p A2**

[Unattributed report]

[FBIS Transcribed Text] Bangkok: The opposition just managed to snatch one government seat in yesterday's Chiang Rai by-election, while New Aspiration's Thotsaphon Munlasatsathon trounced a Democrat to keep his late father's seat in Surin.

The government now holds 232 seats in Parliament against the opposition's 159.

Chat Phatthana candidate Mongkhon Chongsuthanmani, 50, defeated Chat Thai's Samphan Loetnuwat in Chiang Rai's second constituency by 96,951 to 93,750. A total of 208,382 votes were cast.

Mongkhon replaces Chat Thai MP Prathuan Romayanon who died of cancer in late March.

A four-time MP, Mongkhon served as secretary to former Agriculture and Cooperatives Minister Narong Wongwan six years ago. He failed in the last general election.

Mongkhon is one of four senior Chat Thai members accused by the United States of involvement in drug smuggling, along with party executives Narong and Watthana Atsawahem, and resigned Thanong Siriprichaphong, who is currently standing trial in the United States.

In the Surin 2 constituency, Thotsaphon Munlasatsathon, 35, took 111,698 votes, leaving Democrat Chitsai Kklongphayaban, a local school teacher, licking her wounds with a mere 30,308 out of 148,368 votes.

Thotsaphon fills the vacancy left by the death in March of his father Phisan.

This is Thotsaphon's first time as an MP. He left the post of consul-general to Los Angeles, United States, to stand in the election.

A Thammasat University graduate, he has a master's degree in international relations from Webster University in the United States.

Both polls were looking at relatively poor turnouts in the morning thanks to bad weather, but by the end of polling Chiang Rai was up to a healthy 67.68 percent of eligible voters, with Surin some way behind at 50.62 percent.

Surin's showing was largely due to a poor showing among younger voters. Those who made it to the polling stations were mainly middle-aged and senior citizens, while very few 18-year-olds cast votes.

Chom Phra district chief Thakoengsak Phonwatthana put the imbalance down to the fact that many young people in the area now work in the provincial capital and had problems traveling back to the constituency, where they are registered to vote.

In Chiang Rai, Governor Khanron Bunchoet said he had not received any reports of attempted vote-buying on "dog-barking night". The eve of the election is so called because it is the time when, traditionally, canvassers creep round the constituencies to offer bribes to voters. Dogs bark, thinking they are spirits or house-breakers.

Election watchdog PollWatch's chairman, General Saiyut Koetphon, said he had also received no complaints in Chiang Rai, adding the committee believes all the vote-buying was done on Thursday afternoon.

Before the results were announced, he said that according to information compiled by PollWatch, whoever won in Chiang Rai would spend around 100-200 million baht on buying votes.

Meanwhile local police chief Police Major General Sunthon Bunchiang said he had ordered his men to search for former Chiang Rai MP Thawi Butkhan, who has gone missing during the election period.

He said he believed Thawi may be lying low to avoid retaliation after taking money as a canvasser for both sides. He added Thawi will probably turn up again after the fuss dies down.

Thai Finance Ministry Urges Bank 'To Widen Baht Rate Band'

*BK0405121996 Bangkok THAILAND TIMES
in English 4 May 96 p B1*

[Report by Financial Desk]

[FBIS Transcribed Text] Bangkok — The Finance Ministry is putting pressure on the Bank of Thailand (BOT) to widen the baht rate band, fixed by the Exchange Equalization Fund (EEF), for at least one year to curb the influx of foreign capital said yesterday permanent secretary for finance M.R. [Mom Ratchawong] Chatumongkhon Sonakun.

M.R. Chatumongkhon said the ministry agreed to widen the baht's rate band, but he did not say by how much it should be.

"The widening of the baht rate band will be done gradually, therefore we have not given up the central rate," he said

Earlier, there was a report that Finance Minister Surakiat Sathianthai ordered BOT to work on expanding the baht's rate band from two to six satang, up six percent in order to reduce currency speculation.

Nimit Nonthaphanthawat, Bangkok Bank Plc (BBL)'s executive vice president, said he agreed with the expanding of the baht's rate band, but he believed BOT will be unable to carry this out.

He said BOT is unable to control the exchange rate, especially the exchange rate of foreign currencies. So, he added there is nothing that can be done about the central rate of currency exchange.

Moreover, Nimit said BOT refused to take charge of the exchange currency basket, because BOT did not want to be involved with controlling the baht on foreign currency markets.

In addition, BOT governor Wichit Suphinit said BOT did not currently want any change in the baht's rate band due to the country's financial stability.

Wichit said, until last February, short-term loans from foreign countries flowing through commercial banks and financial institutions reached 1,177,761 million baht, excluding out-out loan of BIBF [Bangkok International Banking Facilities] activity and long-term debt instruments.

However, Thirachai Phuwanatnaranuphan, BOT's director of Financial Institutions Supervision and Development Department, said BOT is preparing to make the country's currency basket more flexible, regarding the world currency situation.

A commercial bank source said the currency basket is the key factor in helping commercial banks make huge profits.

Suphachai Sophasathiraphong, Siam City Bank Plc (SCIB)'s Economy and Finance Research Department's manager, said the widening of the baht's rate band is beneficial to the country's economy. As a result, the influx of foreign short-term capital is expected to decrease because the exchange rate is more flexible.

Moreover, Finance Minister Surakiat Sathianthai also agreed on an adjustment to increase flexibility in the currency basket, but he offered to make a study of whether or not to make currencies more flexible.

Thai Academic: Government Should Explain Arms Spending Issue

*BK0705044896 Bangkok BANGKOK POST
in English 7 May 96 p 7*

[Unattributed report]

[FBIS Transcribed Text] The Government should provide details and explanations to avoid public confusion over the assertion that military expenditure on armaments helped bloat the country's current account deficit, an argument it used to shelve the submarine acquisition project, suggested Chulalongkorn University director of defence studies Panithan Watthanayakon.

Mr Panithan, a fellow of the Institute of Security and International Studies (ISIS), said he was concerned that a misunderstanding between the military and the Government could result if the Government failed to clarify the issue

The administration of Prime Minister Banhan Sinlapacha decided to temporarily shelve the navy's submarine procurement project fearing it would worsen the current account deficit, which amounted to 335,700 million baht last year.

Defence Minister Gen Chawalit Yongchaiyut had countered earlier that the military was only responsible for 1,063 million baht or less than 1 percent of the total figure. .

"The Government should be more specific. What's the genuine reason for the high current account deficit, or whether it's directly a result of the army's purchase of new 101 M-60, A-3 tanks approved by the last administration.

"If the military expenditure was really the cause for the big current account deficit, the Government should substantiate it with evidence so that the public is not

confused by such vague assertions," said the academic from Chulalongkorn's political science faculty.

He said the Government so far had failed to give a clear explanation and he was concerned that if it was left untackled it could cause more misunderstanding with the military, something that would not be beneficial to political development in the country.

The academic said as long as the Government did not provide the figures it would be difficult to establish whether the navy's plan to purchase two submarines would really aggravate the current account deficit.

However, he admitted that big package items, such as the satellite project and submarine purchase, would certainly have some impact on the current account deficit.

Mr Panithan said the Government's concern over the military budget was understandable because often the military expenditure exceeded the proposed target, putting the Government under extra financial burden.

The director of Chulalongkorn's defense studies said he would not be surprised if the navy next year renewed its call for the submarines, adding that their procurement was necessary as it was part of the navy's strategic defense plan.

The navy, he said, is recognised for its credibility.

Mr Panithan said the navy sees its capability for deep-sea defence as the cornerstone of its strategy and the recent acquisition of helicopter carrier Chakkri Narubet, and the F/A18 Hornet jet fighters clearly indicate to a state of preparedness with an eye into the future, at the same time, stress the navy's new role at sea.

Mr Panithan said it is understandable why the navy made submarines its priority. It needs them to protect the sealanes, the country's lifeline, as 95 percent of our goods are exported by the sea.

He said the helicopter carrier would be vulnerable at sea unless the navy had the submarines to protect the carrier.

Thailand: Accord Reached on Liberalisation of Telecom Industry

BK0305051896 Bangkok BANGKOK POST
in English 3 May 96 p 15

[Unattributed report]

[FBIS Transcribed Text] The Transport and Communications Ministry agrees that operators of basic telephone networks should not be allowed to operate local or value-added services for at least three years after the country's telecom master plan takes effect.

Mahidon Chantharangkun, the Ministry's permanent secretary, made the comment after a major meeting yesterday to discuss the master plan. The original proposal to separate so-called backbone services from other services was made by the National Economic and Social Development Board [NESDB].

Participants at yesterday's meeting agreed to free the telecom industry step by step, with priority given to the public telephone network, followed by local networks and valued added services.

The meeting was attended by officials from the Telephone Organisation of Thailand [TOT] Communications Authority of Thailand [CAT], Post and Telegraph Department, Finance Ministry, Budget Bureau, Council of State, and the National Electronics and Computer Technology Centre (NECTEC).

The NESDB has proposed two or three operators for the public network, but the Ministry believes this number should not be fixed. It favours a broad statement that as few operators as possible be allowed.

Currently the TOT, TelecomAsia and Thai Telephone & Telecommunication operate public networks.

The National Communications Board will look into this in detail, Mr Mahidon said.

Local network are defined as those in the provinces while value-added services include mobile phones, paging city phones and trunk mobile radios.

The NESDB proposal to separate backbone services from other services is designed to prevent monopolies, but officials at the meeting said the restriction should not be permanent. They settled on three to five years.

The meeting also agreed on a zoning systems for telephone bidding, but the number of zones was not decided.

Thai Airways Goes On 'Buying Spree' for Aircraft

BK0305061096 Bangkok BUSINESS DAY in English
3 May 96 p 3

[Report by Business Editor Julius Gorman]

[FBIS Transcribed Excerpts] Thai Airways International said yesterday it had ordered a further nine Airbus jets for delivery over the next three years, bringing this year's orders of new aircraft to a value of 53 billion baht.

The 27.76 billion baht buying spree unveiled yesterday by the national carrier with Toulouse-based Airbus Industrie is part of the plan to modernize Thai's fleet as well as rationalize its diversity of aircraft types.

The order, subject to Cabinet and shareholder approval, is part of the carrier's five-year, \$4.37 billion program, to buy 21 new jets to replace 31 being retired.

Thai Chairman Siriphong Thongyai said in February the airline was trimming aircraft models in its 73-plane fleet to six from 14.

Yesterday's announcement of the Airbus orders followed its decision to buy six Boeing 777-300s for about 26.25 billion baht in March.

Air Chief Marshall Siriphong said earlier the airline would reduce the number of its aircraft engines to six different models from 11, and pilot categories to five from 12 between now and the year 2000. [passage omitted]

Apart from five Airbus 300-600s, four Airbus 330-300s, and six Boeing 777s ordered since March, other new planes to be acquired in the next five years include four Boeing 737-400/500s and two Boeing 747-400s.

The ministry recently floated a 30 billion yen tranche of samurai bonds to raise funds for the jet purchases.

Finance Permanent Secretary M.R. [Mom Ratchawong] Chatumongkhon Sonakun said last week the ministry plans to float another 200 million shares soon to help finance Thai's expansion.

He said the planned share offer would improve Thai Airways' debt-equity ratio to 2.0-2.2 times from a current 2.8.

Thai Airways' net profit rose slightly to 3.24 billion baht in the year ended September 30, 1995 from 3.12 billion baht in the previous 12-month period.

But its load factor for the year eased to 68.7 percent from 69.2 percent, making the suitability of the purchases dependent on a continued upswing in regional air traffic, a development widely predicted by aviation analysts.

Vietnam

SRV: Hai Phong Establishes Party Cells in Joint Ventures

*BK0605153896 Hanoi VNA in English
1346 GMT 6 May 96*

[FBIS Transcribed Text] Hanoi VNA May 6 — The party committee of Hai Phong city has given attention to the building of party and trade unions organizations in economic joint ventures with foreign countries in order to ensure employees' interests as well as to encourage them to implement labour contracts signed with their employers.

There have been 48 direct investment projects to date and 40 percent of the small and medium-sized projects were put into operation.

There are now six cells established in joint ventures, namely Kai Nan, Giart-V, Hai Phong-Chinton Cement Joint Venture, Vinapac, Do Son International Tourism, and VPS (steel production).

SRV Editorial Welcomes Military Party Congress

*BK0605072796 Hanoi Voice of Vietnam Network
in Vietnamese 2330 GMT 5 May 96*

[Editorial from the 6 May issue of QUAN DOI NHAN DAN: "Ever Worthy of Being a Reliable Political and Combat Force Absolutely Loyal to the Party, Fatherland, and People"]

[FBIS Translated Text] At a time when the entire party, people, and Army are eagerly recording achievements to greet the eighth party congress, the Sixth Military Party Organization Congress solemnly opens today.

Representing the leadership ability, determination, wisdom, and sentiments of the military party organization, some 350 delegates attending the sixth congress of the entire Armed Forces will study, discuss, and contribute views on various draft documents of the seventh party Central Committee to be presented at the eighth party congress. They will also study, discuss, and contribute views on the political report of the party Central Committee's Military Commission; issue a resolution on the national defense tasks of the military party organization in its sixth term of office from 1996 to 2000; and elect a delegation of people who symbolize the wisdom of the military party organization to attend the eighth national party congress.

The sixth all-Army congress of party delegates is an important political event directly contributing to the success of the eighth national party congress. The congress will further review the renovation process in the fields of military activity and national defense over the past 10 years and will decide on military and national defense tasks for the military party organization during its 1996-2000 term of office — the initial stage of our cause of national industrialization and modernization.

Over the past five years, along with our entire people, the Army has carried out its mission to defend the socialist fatherland amid a rapidly changing and complicated international and regional situation following the collapse of the socialist regimes in the Soviet Union and Eastern Europe, the decline in the socialist system and the international revolutionary movement, and the efforts of the imperialist and hostile forces to step up

their peaceful evolution strategy aimed at eradicating the remaining socialist countries and exerting pressure on the independence and sovereignty of developing peoples and nations.

In our country, a socioeconomic crisis continued with many seemingly unsurmountable difficulties and ordeals. The lives of the working and salaried people faced numerous difficulties coupled with the scourge of blockade and embargo. Even worse, Vietnam was the focus of the hostile forces' peaceful evolution strategy.

Faced with this situation, our party has been calm and sensible in its examination and evaluation of all aspects of the situation. It has been firm on the two strategic tasks of building the country and defending the socialist fatherland. The party has clearly defined its orientations and guiding concepts for the cause of national defense in the new situation and continued to make important changes in its national defense and military thinking. The universal national defense and universal combat array have been consolidated. Efforts have been made to continue rectifying the national defense strategy. The integrated qualities and militancy of the Army have been upgraded to a higher and more comprehensive level. State management over national defense has been carried out with a more comprehensive plan and mechanism. Party leadership over national defense and the People's Army has continued to be strengthened. The Army party organization has displayed its absolute loyalty to the party, fatherland, and people. It has concentrated its efforts on building itself politically, ideologically, and organizationally. The Army party organization has exerted efforts to renovate and rectify itself — to consolidate and strengthen its firm and effective leadership over all aspects of activities of the Army, ensuring that the Armed Forces satisfactorily fulfill their assigned missions and are worthy as a loyal and reliable political and combat force of the party, state, and people in the renovation process and in national construction and defense.

Over the past five years, we have successfully maintained political stability; safeguarded the socialist regime; and firmly protected our national independence, sovereignty, and peaceful environment, thus creating basic favorable conditions for the cause of national renovation. These achievements were the integrated result of the renovation process, with national defense and security playing a particularly important role. The party and people have more confidence and affection for the people's Armed Forces and the People's Army.

Success in national defense and in the building of universal national defense and the People's Army stems from our party's comprehensive renovation policies.

including important renovations in national defense and military thinking.

Together with the people and the entire national political system and led by the party, the Armed Forces have upheld the spirit of national independence and sovereignty, self-reliance, self-support, self-motivation, and creativity. They have overcome all difficulties and resolutely fulfilled their assigned missions, especially the tasks of preventing and fighting peaceful evolution, rebellion, and subversion. They have successfully maintained national independence, sovereignty, and territorial integrity, thus contributing to maintaining political stability and security for the cause of national construction and development.

The military party organization has displayed great efforts and progress in its task regarding party renovation and rectification. It has successfully developed its revolutionary character and remained persistent and firm despite a challenging and complex situation.

Considering the requirements of the task of defending the socialist fatherland in the new situation, there are still many things that must be overcome through great effort. The ideological awareness of a segment of party cadres and nonparty people still harbors a state of illusion and lack of vigilance. The universal national defense and universal combat array have been consolidated, but not comprehensively and steadfastly enough. The integrated qualities of the Armed Forces are, in certain aspects, still complicated and not commensurate with the requirements arising from their tasks in the new situation.

Evaluating achievements and remaining weaknesses correctly, analyzing the situation to clarify the reasons for these, and drawing on experiences over the past five years of implementing the duty to consolidate universal national defense and build the Armed Forces and the People's Army are the important duties of the sixth congress of party delegates from the entire Armed Forces. They are also the basis on which the eighth party congress will draw up policies on national defense and the building of universal national defense and the people's Armed Forces in the new era of national industrialization and modernization. This is also a good opportunity for our party to review the actual situation, build its wisdom, and enrich its experience and theories about its people's war policy and about the universal national defense of our party and Army in the cause of national construction and defense.

Proceeding from the actual domestic and international situations and based on our party's program for national construction as approved at the seventh party congress, the draft political report to be presented by the seventh

party Central Committee at the eighth party congress affirms the need to continue to adhere firmly to the two strategic tasks regarding socialist construction and national defense and the acceleration of industrialization and modernization in an effort to turn our country into an industrialized country by 2020.

Industrialization and modernization are the central tasks during the entire period of transition to socialism, a historic period to be overcome to achieve success. This is the only way we have a chance to rescue our country and people from poverty and backwardness so they can stand shoulder to shoulder with their friends throughout the five continents, as foreseen by our esteemed Uncle Ho.

To achieve these goals successfully, the national defense and security tasks for the period ahead must consist of developing the integrated strength of the entire people and political system; gradually increasing the national defense and security potential; firmly building universal national defense; linking the universal combat array with the people's security network; and improving the qualities of the people's Armed Forces in such a way that they can implement their tasks of firmly maintaining national independence, security, sovereignty, and territorial integrity, protecting the people, party, socialist regime, and the cause of industrialization and modernization, preventing and foiling peaceful evolution, rebellion, and subversion, and remaining ready to cope with all other complicated contingencies that may arise.

We are building and defending the fatherland and stepping up national industrialization and modernization amid a complex and changing international situation with many unpredictable unrest factors. Apart from the overall characteristics of the international situation, we must pay attention to the prominent characteristics related to the tasks regarding national defense, the consolidation of universal national defense, and the building of the Armed Forces.

Mankind is still in the period of transition from capitalism to socialism. Basic differences in the world continue to exist and develop — much fiercer in certain aspects and in many new forms. The class and national struggle continues to develop in various forms. Many things such as armed conflicts, local wars, ethnic and religious conflicts, the arms race, and the situation in the Eastern Sea [South China Sea] continue to develop in a complex fashion. In our country, the four threats cited by the midterm national party congress of the seventh party Central Committee still remain great menaces. As these threats are related and equally dangerous, we must not belittle any of them.

The success of the renovation process has created new strengths and statures for us, both internally and externally, with which we can embark on a new era of development. Various premises needed for industrialization and modernization have been created. Our international relations have been increasingly expanded and our position in the world arena has increasingly improved. Our capability to maintain independence and sovereignty in integrating ourselves with the world community has been further enhanced. We have obtained more experiences and greater organizational capability to build universal national defense and the people's Armed Forces. All these are advantages and great opportunities that have built our confidence and create momentum for us to embark on a new era of development.

Over the past 50 years, all combat exploits and successes of our Armed Forces have stemmed from the leadership, education, and training efforts provided by the glorious Communist Party of Vietnam and by esteemed Uncle Ho. The history of unit building, combat, and growth of our Army and our country's revolution shows that the Army is always under the absolute and direct leadership of the party. This is an essential factor for the party to exert firm control over the Army under any circumstances and for the Army to remain absolutely loyal to the party and the people.

At present, in the cause of national construction and defense and stepped-up national industrialization and modernization, the Army must be a loyal and reliable political and combat force of the party if it is to fulfill its duty well. This lesson must be maintained and strengthened.

Over the past few months, various units in the entire Armed Forces have initiated a spirited emulation movement to record greater achievements to greet the all-Army party congress and the national party congress. Today, every party member and every cadre, combatant, and national defense worker in the Armed Forces faces the sixth all-Army party congress with their heartfelt sentiments, pride, and determined-to-win confidence.

SRV Article Views Measures To Control Inflation in 1996

BK0205144296 Hanoi Voice of Vietnam in English 1000 GMT 2 May 96

[Article From the 'Vietnam Economy' Program]

[FBIS Transcribed Text] The Vietnamese National Assembly recently approved the state budget law. It creates a legal basis for effective financial and monetary activities, contributing to national economic development and checking inflation.

Last year, Vietnam's economic growth rate was 9.5 percent, the highest ever, while inflation was kept at 12.7 percent. However, according to economic experts, in the first months of this year, Vietnam's economy continued to be affected by many factors which could increase inflation. They include pressure for increased salary for teachers, training staffs, and state employees; and rising state expenditures, particularly for capital construction. The volume of foreign currencies coming into Vietnam also increased suddenly in the first days of the year. In face of such situation, the State Bank of Vietnam has proposed fundamental solutions on money and credits to contribute to checking inflation from the beginning of the year. The target GDP growth rate set by the National Assembly for this year is from 9 to 10 percent while inflation aims at less than 14 percent. This is a difficult task.

At the national conference of directors of banks held early this year, Mr. Cao Sy Kiem, governor of the State Bank of Vietnam affirmed that checking inflation was now the main task of Vietnam's banking sector. He proposed keeping inflation in the first three months of the year at the rate of five percent. A nine-point solution aimed at checking inflation was drawn up at the conference. The State Bank of Vietnam limited credit volume. Another measure which seemed to be effective is the reduction of the interest rate of lending money of credit organizations. The State Bank of Vietnam also has tightened further management of foreign exchange and handling money supply to buy foreign currencies. At the same time it has taken measures to draw in floating money in society by issuing the second drive of state bank bills later last year, and promoted the opening of individual bank accounts and balance incomes, and expenditure index to limit the volume of money in such relations. On the long-term strategy, Mr. Cao Sy Kiem said that the orientations of the State Bank of Vietnam until the year 2000 is to continue renewing its activities on the principle of market economy with state management, quickly modernize banking technology, and step-by-step internationalize its activities to meet the speed of development and integrate into activities of the world banking system.

The State Bank of Vietnam pays great attention to personnel training and strengthens safety for customers and its trusts.

SRV: Table of Contents of Party Journal No 1, Jan 96

96J0014 Hanoi TAP CHI CONG SAN
in Vietnamese Jan 96 No 1 p 1

(FBIS Translated Text)

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Australia

Australia: Article Reviews Nation's Exports to Asia

BK0605050196 Sydney THE AUSTRALIAN FINANCIAL REVIEW in English 19 Apr 96 p 20

[Article by Mark Lawson: "Australia Scoring Well With Export To Asia" — currency Australian dollars unless noted]

[FBIS Transcribed Text] Australian exports are gradually creeping around Mr Paul Keating's much-discussed J-curve, with industries as diverse as railway manufacturing and pigment and paint making posting major export sales to Asia.

The railway manufacturing sector can now point to \$500 million worth of annual exports of railway goods to Asia, while the pigment, paint and varnish (PPV) makers are exported \$280 million worth of goods to the same region, after posting annual export growth rates of 40 per cent for 10 years.

But despite the big increases in two quite diverse industries, it is difficult to point to any major factors encouraging export growth, apart from the increasing internationalisation of the economy (which is also encouraging imports).

Those involved in the railway sector nominate a range of factors for their success in gaining export contracts. They include the judicious use of soft loans, increasing Asian spending on infrastructure and the need to make up for poor conditions in the local industry by looking for sales offshore.

The PPV industry export success which includes the export of titanium powder (a white pigment), has been attributed to the internationalisation of the local chemicals industry and its increasing focus on Asia.

Mr Warren Hocking, an Austrade executive who is now full-time manager of the industry group Australian Railway Industry Corporation, said a major factor in the increased orders for Australian railway goods was Asian spending on infrastructure.

Taiwan alone planned to spend US\$100 billion on railways, and Hong Kong was planning a new railway corridor worth \$12.5 billion.

He attributed recent successes to the long-term shake-up and modernisation of the industry, mainly because of State and federal freight authorities reorganising and reequipping their fleets.

Whatever the reasons for the export successes, local manufacturers have gained a range of contracts in recent months. They include \$51.6 million worth of track upgrading in the Philippines, won by John Holland Constructions \$40 million worth of signalling and communications work won by Olex Cables, the supply of \$16 million worth of components to Hong Kong trains by Melbourne-based company Transferia Beclawat, and a

\$70 million contract won by Westinghouse Brake & Signal Co (Aust), now part of the BTR Nylex group, to supply a railway signalling system in Indonesia.

Westinghouse Brake marketing manager Mr Neville Holland said that one of the main reasons for Westinghouse winning the contract against a field of up to 15 other tenderers was the Federal Government's provision of a "soft loans" (a loan on favourable terms).

Many other companies have started competing for export contracts in order to survive.

Mr Colin Bailey, joint managing director of the Dutch-owned Transferia Beclawat, said his company "wouldn't survive" without looking for overseas orders. The company's recent sale of electric door-openers for trains in Hong Kong helped offset "abysmal" lack of demand in the local industry.

He said that part of the reason for his appointment was that he had worked in Asia for 13 years and had many contacts in the region. In contrast to the myriad of reasons given for the success of contracts won for railway equipment, about the only reasons anyone can think of for the successes of the pigment, paint and varnishes industry is the general internationalisation of Australian industry, combined with the development of Asian economies.

In a recent article in the newsletter ASIALINE, produced by the Department of Foreign Affairs and Trade [DFAT], officials of DFAT's trade analysis branch noted that the largest importers of PPVs were among the most developed economies of Asia (Korea, Japan, Hong Kong and Singapore). But other economies were catching up, with PPV exports to Thailand and the Philippines increasing at nearly 50 per cent and 70 per cent a year respectively.

Australian producers of PPVs include BHP Australia, which has invested \$200 million in the development of a titanium minerals deposit in Western Australia.

Another producer is Tiwest, a joint venture between Kerr-McGee and Ticor, which has expanded the capacity of its titanium dioxide plant at Kwinana in Western Australia by 10,000 tonnes, to 80,000 tonnes a year.

New Zealand

New Zealand: Latest Figures Renew 'Worries' About Economic Direction

BK0405110196 Christchurch THE PRESS in English 29 Apr 96

[Editorial: "Economic Worries" — received via Internet]

[FBIS Transcribed Text] A decelerating economy is a test all round. The economists must try to read it, the Reserve Bank must ride it down but avoid a

hard landing, and businesses must maintain momentum. Naturally, then, the statistics that measure the economy are treated with great interest. The latest figures, on inflation and the balance of payments, were not in themselves the cause of great concern but they set off renewed worries about the direction of the economy.

The inflation figures vindicated the Reserve Bank's tight monetary policy. At 2.2 per cent, the consumer price index was at the top of most expectations. It showed the economy retains the after-effects of its extraordinary growth spurt. Without the Reserve Bank's squeeze, New Zealand would be experiencing high inflation. Not that the bank is about to receive much thanks for its job. Its controls have pushed up interest rates and exchange rates, causing difficulties for mortgage-holders, manufacturers, and exporters.

More significantly for the Reserve Bank Governor, Don Brash, his medicine has not quite worked. The bank's calculation of underlying inflation — which takes out effects such as interest rates — showed a rate of 2.1 per cent. This is a smidgen above the official target range of 0-2 per cent, the second time since June that underlying inflation has breached the target. It cannot be passed off lightly, but much of the response was ritualistic and unnecessary. When the fuss is over a 0.1 per cent breach, we are in the territory of angels atop pinheads.

Rather than worry too much about the finesse with which the Reserve Bank wields its monetary instrument, the politicians and the pundits should focus on the meaning of the figures and ask whether the technicalities of the equation are quite right. Significantly, government charges contributed 0.23 per cent to inflation, providing ammunition for the campaign driven by manufacturers for the Government to get its own inflationary impulses under control.

Much of the obsession could be averted if the definition of price stability was slightly wider. That is a suggestion the Labour Party makes. There is some sense in the proposal but it meets a perennial objection: any widening of the target would be seen as a relaxation of the anti-inflation battle, and that would be the wrong signal to send. When the tight 0-2 per cent band was introduced, it was considered necessary. The economy had to be purged of the substantial inflationary pressures on it. There was an assumption that it might not be needed for ever. Despite the fact that low inflation has been consistently achieved for some years, the Government is cautious about making any move that suggests the battle has been won.

Significantly, some quarters are calling for a widening of the Reserve Bank's mandate, to include factors such as employment. There is scope for a body to at least

monitor and advise on economic policy in a wider context. Manufacturers and exporters say their sectors are bearing the brunt of the anti-inflation battle while other sectors such as local and central government have a free rein, with no incentive to improve competitiveness or productivity. These calls should be considered. The alternative is dangerous: given the Government's tenuous position in Parliament and the unpredictability of the coming election, opponents of the Reserve Bank's monetary regime could decide on wider, undesirable changes such as robbing the bank of its independence.

The questions surrounding New Zealand's economic trade performance have grabbed less political attention but are just as fundamental. The latest balance of payment figures showed a continuing deficit. The figures showed something of an improvement, mainly due to tourism, but the improvement was not as large as Treasury had earlier been predicting. Nor is it enough to alleviate all concerns. Many private forecasters say that if the balance of payments deficit was to deteriorate only slightly more, there would be real concerns among foreign investors about the health of the economy.

Federated Farmers suggests that the problem is much worse than many are prepared to believe. Last month the farmers said the deficit suggested New Zealand was living beyond its means to an extent that had parallels with Mexico, where a ballooning current account deficit was behind the peso crisis, from which the country is still trying to recover. Now Federated Farmers says the deficit is in fact about \$1.9 billion worse than the official measure because the calculation includes capital brought into the country by migrants. There is a point there; many countries have now revised their balance of payments measure to exclude that inflow, and New Zealand will eventually follow suit.

The talk of a Mexican-style crisis is hyperbolic, however. Federated Farmers' real gripe is the strength of the dollar. The organisation apparently hopes that by focusing on the deficit, it might talk the dollar down. That is a dangerous game. With the uncertain political future, the economy faces enough unknowns without exaggerating an existing problem. It is, however, salutary to remember that the gap between what New Zealand gets and spends abroad is still big. The current level of many commodity prices will not help it improve. It is yet another reminder that the cockiness generated by the recent economic recovery was premature. The future still demands restraint and discipline, and a non-ending task to improve the country's competitiveness.

Papua New Guinea

Papua New Guinea: Australia's Downer Signs Aid Agreement

*BK0305022096 Melbourne Radio Australia
in English 0500 GMT 3 May 96*

[FBIS Transcribed Text] Australia has signed an agreement with Papua New Guinea [PNG] for a \$34 million [Australian dollars] aid project to help rebuild the town of Rabaul following the 1994 volcanic eruption. Graeme Dobell reports Australia's Foreign Minister Alexander Downer and PNG's Finance Minister Chris Haiveta signed the deal in Port Moresby.

[Begin Dobell recording] The \$34 million agreement is an example of Australia's move to change assistance to PNG from cash aid to projects. The agreement covers a volcano rebuilding program about to start around Rabaul in the next few weeks. Australia will help build 40 kilometers of roads. The aid will also go into four new community schools, a new high school, and a new police station.

Mr. Downer is to have talks and a working lunch with PNG's Prime Minister Sir Julius Chan. Before the meeting, Mr. Downer said that if PNG is to deal with its economic problems, it has no choice but to go along with a reform program agreed with the World Bank. [end recording]

Papua New Guinea: Prime Minister Urges Closer Ties With Australia

*BK0305063996 Melbourne Radio Australia
in English 0500 GMT 3 May 96*

[FBIS Transcribed Text] Talks between Australian and Papua New Guinea [PNG] have concluded in Port Moresby with the PNG Prime Minister Sir Julius Chan calling for the two countries to come closer. Speaking after talks with Australia's foreign minister, Alexander

Downer, Sir Julius said the relationship should become much closer. Sir Julius said there were misconceptions outside PNG on Bougainville policy. The prime minister said Mr. Downer was now well informed on PNG's policy for resolving the Bougainville issue. Sir Julius said he thought Australia also understood the problem PNG had in implementing the World Bank economic reform package. Before entering the talks, Mr. Downer told a business meeting that PNG had no choice but to go along with the reform program agreed with the World Bank.

Solomon Islands

Solomon Islands: Dutch Government Grants Asylum to BRA Spokesman

*BK0305064196 Melbourne Radio Australia
in English 0500 GMT 3 May 96*

[FBIS Transcribed Text] A special Australian Air Force charter flight took the Bougainville Revolutionary Army [BRA] spokesman, Martin Miriori, and his family out of the Solomon Islands' capital, Honiara, under tight security on Wednesday [1 May] night. The Air Force jet was chartered by the United Nations High Commissioner for Refugees in Canberra who feared for Mr. Miriori's safety. Mr. Miriori has been granted asylum by the Dutch Government.

Papua New Guinea's [PNG] defense minister, Mathias Ijape, issued a statement last night saying the Solomon Islands Government should have discussed threats against Mr. Miriori with PNG. Mr. Ijape said Mr. Miriori was a PNG citizen and any arrangement affecting PNG citizens must be made within international laws. The PNG Government is yet to be officially advised of the decision to fly Mr. Miriori to the Netherlands by the Solomon Islands Government or the UNHCR.

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